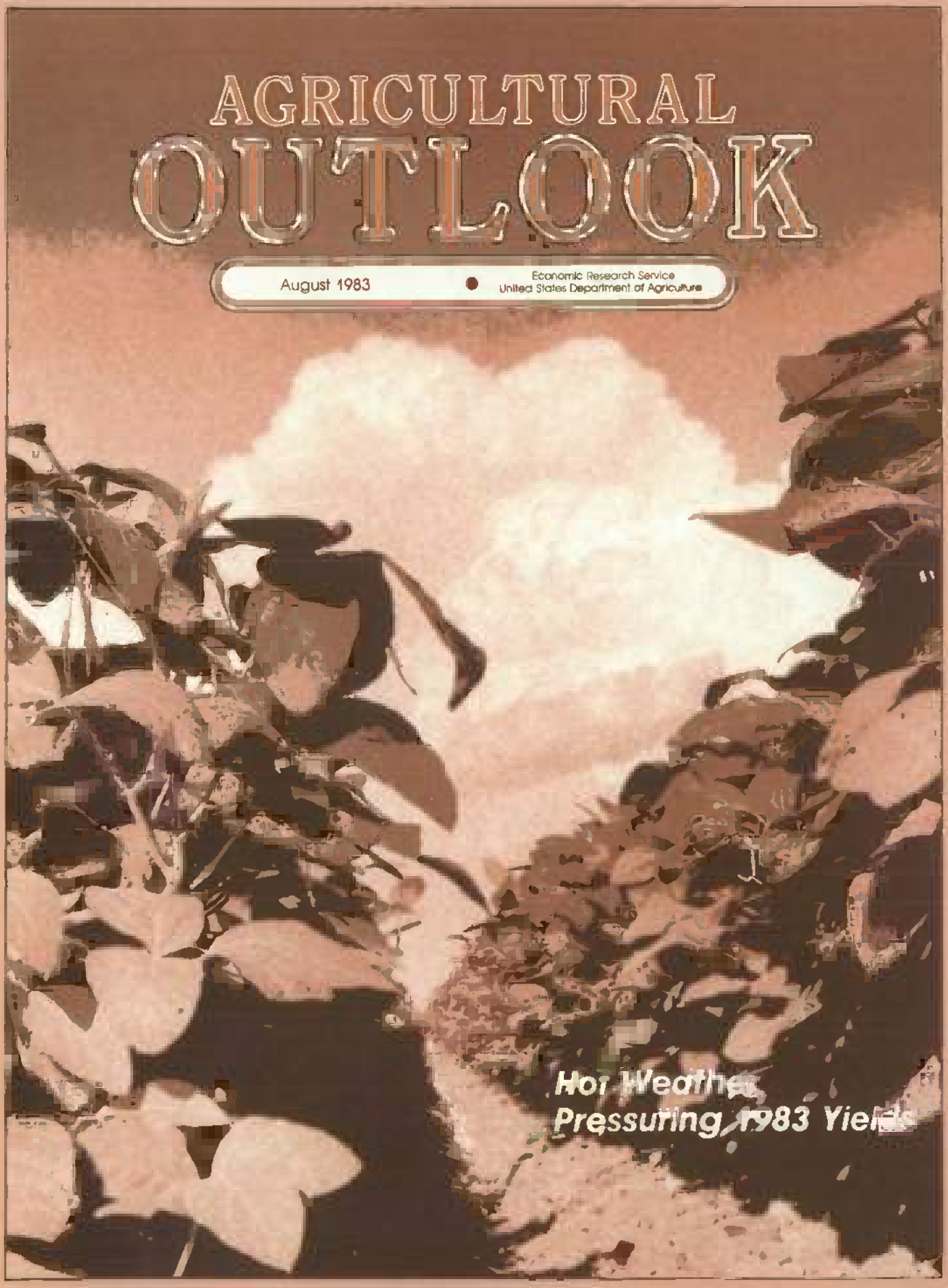
AGRICULTURAL OUTLOOK

August 1983

Economic Research Service
United States Department of Agriculture



Hot Weather Pressuring 1983 Yields

AGRICULTURAL OUTLOOK

August 1983/AO-90

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In Brief. . . News of 1983 Farm Income, the U.S. Economy, and Storage Prospects

Agricultural Economy

Though the farm economy remains burdened by large domestic and foreign crop supplies and declining farm exports, the basic supply-demand outlook is improving as a result of this year's smaller prospective crops and the stronger general economy. Net farm income for 1983 will be higher than last year—despite a decline in cash receipts—because of increased Government program benefits and reduced production expenses.

Farm Income Update

After inventory adjustment, net farm income is now forecast at $25 to $29 billion for 1983, up from 1982's $22.1 billion. Previously, estimates for 1982 and 1983 stood at $20.4 billion and $18 to $22 billion, respectively. The large revisions arose mainly from revised production-expense data and new finance data. Also affected by these revisions were farm income estimates for 1980 and 1981, which are now put at $21.5 and $30.1 billion, respectively—up from $20.1 and $25.1 billion previously. Adjusted for inflation, 1983 farm income is forecast to climb 10 to 20 percent from 1982—to a level about equal with 1980.

World Agriculture and Trade

Prospects for U.S. trade with the USSR and China in 1983/84 improved following the recent agreement, in principle, on long-term grain trade with Russia and the separate agreement on textile trade with China. The agreement with the USSR raises minimum annual Soviet purchases of grain to 8 or 9 million tons (depending on the amount of soybeans purchased) from 6 million previously. The absence

of a textile agreement had curtailed U.S. farm exports to China; the now-improved commercial climate could lead to recovery in U.S. wheat sales, but probably not in cotton or soybean sales.

Farm production is increasing in most regions of the world. Following a 10.9-percent increase in 1982—the largest annual gain in nearly a decade—China will likely have large crops again in 1983. In the Soviet Union, production could reach 200 million tons after 4 years of below-trend output. Sub-Saharan Africa is the only region where per-capita food production has been declining.

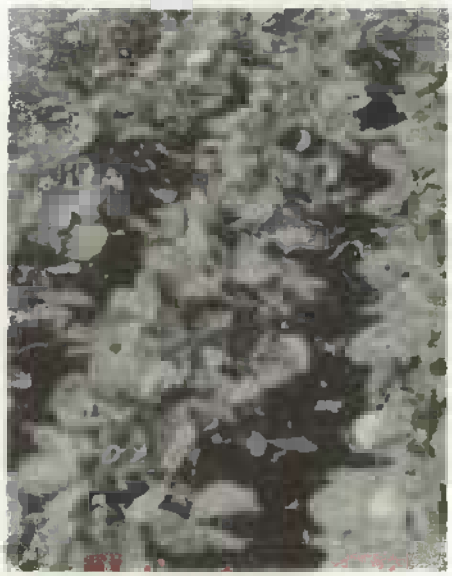
General Economy

The U.S. economic recovery, so far concentrated in housing and consumer durables, is expected to improve farm-level demand before yearend. Final demand for agricultural products is benefiting from higher consumer incomes, which could raise per-capita expenditures on food-at-home at a 2-percent rate for the rest of 1983 and those on food-away-from-home at a 4-percent rate, if prices remain stable. While this improved demand situation would normally raise livestock receipts, near-record supplies of meat—boosted mainly by pork—will pressure meat prices downward during the fourth quarter. Livestock receipts for all of 1983 could be near those for 1982.

Storage and Transportation

A surplus of storage capacity is anticipated for holding this year's harvest of grains and oilseeds. Although more available storage was in use than a year ago on June 1, this year's crops are expected to be substantially smaller—thus easing the storage outlook from the relatively tight situation of 1982.

The U.S. transportation system will also have sufficient capacity for harvest needs. The barge industry, which has been carrying nearly 40 million bushels of grain and soybeans a week, estimates that 25 percent of its fleet is idle. A similar situation prevails for the railroads. Industry sources report that 10 to 15 percent of the railroad-owned covered-hopper fleet and a like proportion of the private fleet is surplus to current needs.



Agricultural Economy

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World economic recovery has been lagging the U.S. recovery. This, together with the still-strong dollar and large crop supplies abroad, has led to disappointing U.S. farm exports so far in fiscal 1983. Prospects for U.S. trade with the USSR and China likely will improve in 1983/84 following the recent agreement, in principle, on long-term grain trade with Russia and the separate agreement on textile trade with China. The agreement with the USSR raises minimum annual Soviet purchases of grain to 8 or 9 million tons (depending on the amount of soybeans purchased) from 6 million previously. The absence of a textile agreement had curtailed U.S. farm exports to China; the now-improved commercial climate could lead to recovery in U.S. wheat sales, but probably not in cotton or soybean sales.

Slow exports and large supplies have contributed to reduced crop receipts—forecast down 7 to 13 percent in 1983. Although the situation has improved in recent months, the big carryovers from last year's harvests will keep supplies large in the coming season. In mid-July, total supplies of wheat for 1983/84 were estimated about even with 1982/83's. While corn, soybean and cotton supplies were expected to decline, they were anticipated to remain large. By late July, however, hot, dry weather in the Corn Belt had raised uncertainty about the eventual size of 1983 crops—thus boosting prices sharply.

Despite lower cash receipts, farm income in 1983 is expected to rise—boosted by Government payments and lower input expenses, which result partly from this year's reduced crop acreage. Expenses are projected down 1 to 4 percent for 1983, while total Government benefits are expected to be $10 to $14 billion, divided between $4 to $6 billion in direct cash payments and $6 to $8 billion in in-kind payments.

Consequently, net farm income for 1983, after inventory adjustment, is now estimated at $25 to $29 billion, up from 1982's $22.1 billion. Previously, net farm income for 1982 and 1983 was estimated at $20.4 billion and $18 to $22 billion, respectively. The large revisions arose mainly from revised production-expense data and new finance data. Revisions also changed 1980 and 1981 estimates to $20.5 and $30.1 billion, compared with $20.1 and $25.1 billion previously.

Adjusted for inflation, 1983 farm income is expected to climb 10 to 20 percent from 1982—to a level about equal with 1980. The lower level of real farm income in recent years partly reflects the 4-year economic stagnation worldwide. Precipitating factors were the tight monetary policies in many countries, undertaken in order to contain the inflation generated by the 1979-80 oil-price shocks.

Along with reduced production, the improved income prospects for 1983 will lower farmers' credit needs—thus easing their debt burdens. Further, the better short-term prospects have allowed some farmers to borrow money they otherwise might have been denied. Lasting improvement in the farm economy, however, will require a continued strong general economy and recovery in export demand. *[Lorna Aldrich (202) 447-2317]*

LIVESTOCK HIGHLIGHTS

Cattle

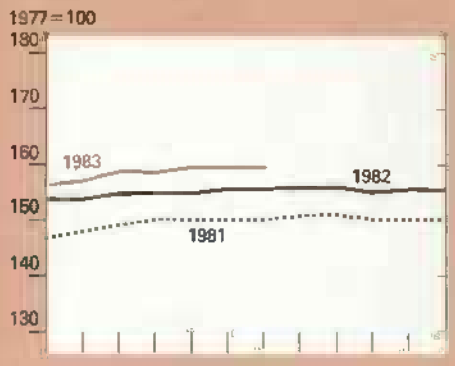
The July 1 inventory of cattle and calves signaled a continuing break in the cattle cycle's expansion phase. The number of replacement heifers continued to show no expansion. Moreover, the 1983 calf crop was estimated at 44.2 million head, a 1-percent decline that marked the third consecutive year of modest decreases. Despite the drop in the number of calves, the U.S. inventory of cattle and calves was about unchanged from a year earlier. The number of beef cows and heifers that had calved was unchanged from a year ago, but was 3 percent below 2 years earlier.

The number of cattle on feed on July 1 in the 13 major cattle-feeding States was 1 percent above a year earlier. Spring marketings were the largest for that quarter since 1978—a rebound from the disruptions caused by winter weather. Nevertheless, spring placements were even larger than marketings.

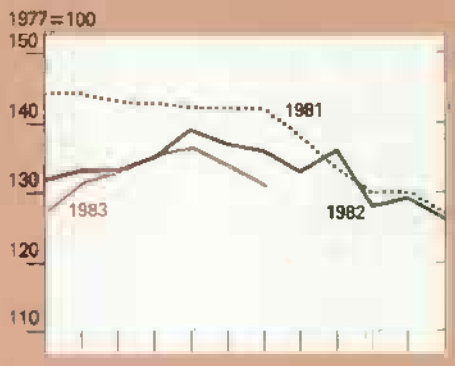
Feedlots had a larger-than-expected inventory of heavy cattle on July 1, but these had all been marketed by early August. A reduced number of middleweight cattle indicates that marketings will remain large, but manageable, through this fall. The number of cattle on feed weighing less than 700 pounds was 12 percent below a year earlier.

Prime Indicators of the Agricultural Economy

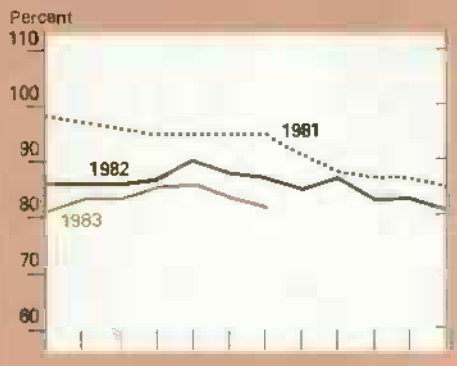
Prices paid by farmers[1]



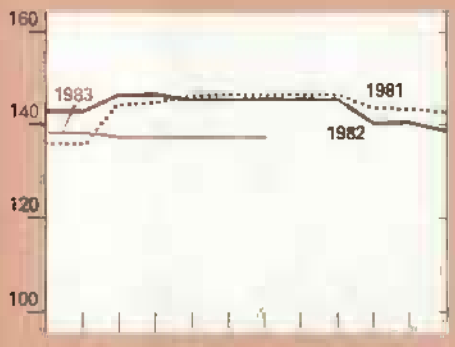
Prices received by farmers[2]



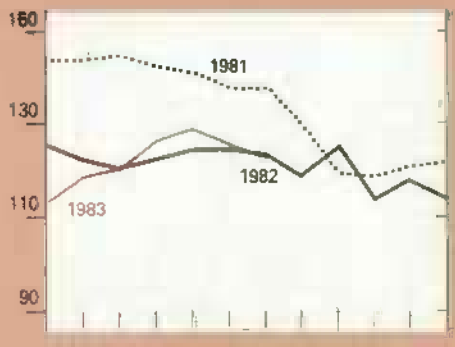
Ratio of prices received to prices paid



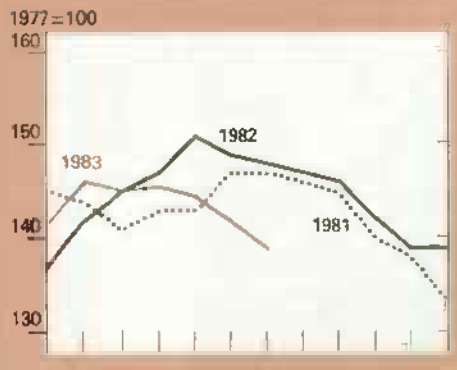
Fertilizer prices



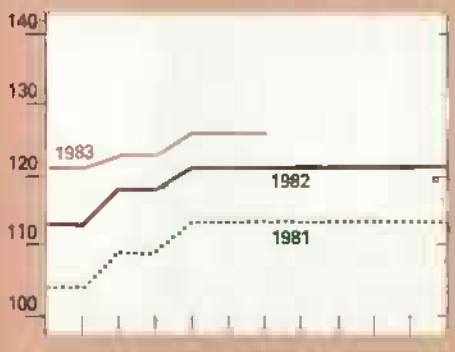
All crops



Livestock and products

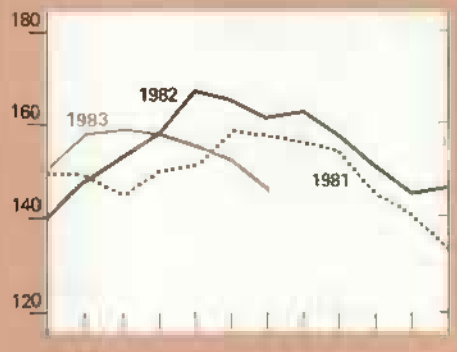


Agricultural chemicals

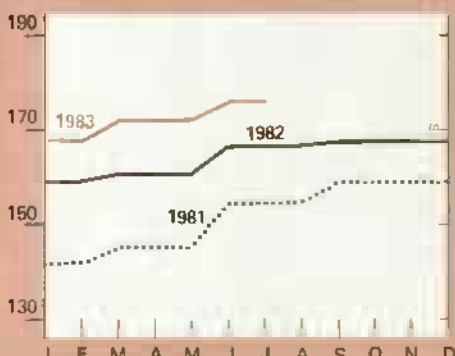


Food grains

Meat animals

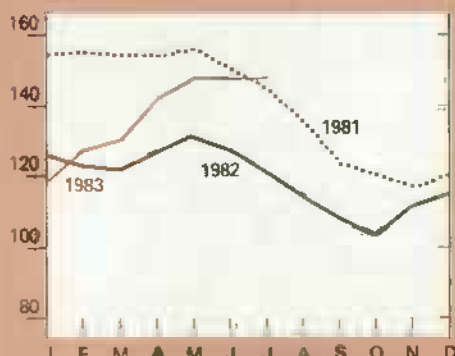


Tractors and self-propelled machinery



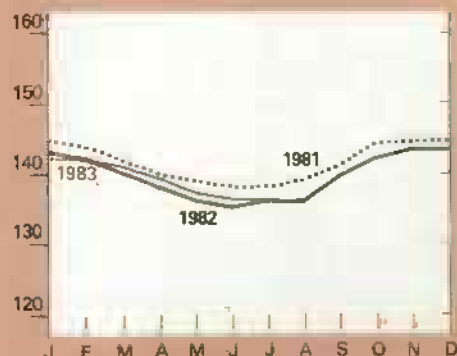
[1]For commodities and services, interest, taxes, and wages.

Feed grains and hay



All series except "Ratio of Prices Received to Prices Paid" are indexes based on 1977=100.
[2]For all farm products

Dairy products



The supply of feeder cattle outside feedlots remains adequate, with the supply unchanged from last year. The yearling supply increased 5 percent, while the calf supply was down 2 percent.

Prices for Choice fed steers at Omaha averaged $67.04 per cwt this spring. They averaged $66.22 in July and are likely to average $62 to $65 for the summer quarter. Marketings will remain large during September through mid-November, resulting in prices averaging only $61 to $65 this fall. After the bunched marketings of fed cattle placed on feed this spring are completed by late fall, beef production should fall and prices should rise modestly.

Yearling feeder steer prices at Kansas City averaged $67.05 this spring, though they dropped to $64.75 in June, as PIK-grazeout marketings increased and the demand for stocker cattle fell off. Prices may average in the lower $60's this summer and only $61 to $65 this fall. Stronger demand for thinner cattle for grazing the PIK acreage and for wheat pasture could develop this fall. Subsoil moisture will need to improve in most areas to ensure good fall grazing. [*Ron Gustafson (202) 447-8636*]

Hogs

The June Hogs and Pigs report confirmed a continued and heightened expansion in breeding herds during first-half 1983. Hog producers began to expand their herds earlier this year when hog prices were high and feed prices low. However, prices for hogs dropped to $47 per cwt at 7 markets this spring, down from $55 this winter and $56 last spring. In July, barrow and gilt prices averaged about $46 per cwt, down from $60 a year ago. The U.S. average price of corn was $3.12 a bushel in mid-July, compared with $2.50 a year earlier. The combination of low hog prices and high corn prices has reduced farrow-to-finish producers' returns by about $18 per cwt from a year ago. In July, the average producer was covering cash costs only, leaving no return for labor, management, risk, and ownership. Thus, some liquidation of the breeding herd is possible—perhaps starting this summer.

Commercial pork production is forecast at 3,575 million pounds this summer, compared with 3,240 a year ago. This larger output, together with large supplies of competing meats, will keep hog prices weak. However, the decline in market weights, because of dry, hot weather, and increases in consumer incomes due to the strengthening economy and the tax cut could rally prices somewhat in August. As production increases seasonally in September, prices may then decline and average $44 to $46 per cwt.

The inventory of hogs for slaughter in the fourth quarter—those under 60 pounds on June 1—was up 15 percent from last year. However, slaughter this fall is forecast to be 16 percent larger than last year, as some herd liquidation is expected. Commercial production is forecast at 4,200 million pounds, up only 15 percent from last year because average weights are expected to decline from last year's relatively high 174-pound average. If consumer incomes strengthen as expected, barrow and gilt prices will likely average $38 to $42 per cwt this fall. [*Leland W. Southard (202) 447-8636*]

Broilers

Broiler producers have responded to a cost-price squeeze in the first half of 1983 by reducing the number of eggs set and chicks placed for third-quarter slaughter. Producers' costs increased because of a rise in feed prices, which, though they may decline later this year, are still expected to be above last year. Also, returns to producers have been lower because increased production forced market prices lower.

The number of broiler chicks hatched during May was 2 percent below last year, and June hatchings were down 1 percent. However, slaughter weights have been up this year, boosting broiler meat production. If weights continue above last year as expected, output in the third quarter may be the same to 2 percent more than last year. Output in the second quarter was up 4 percent from a year earlier, while first-quarter production rose 6 percent.

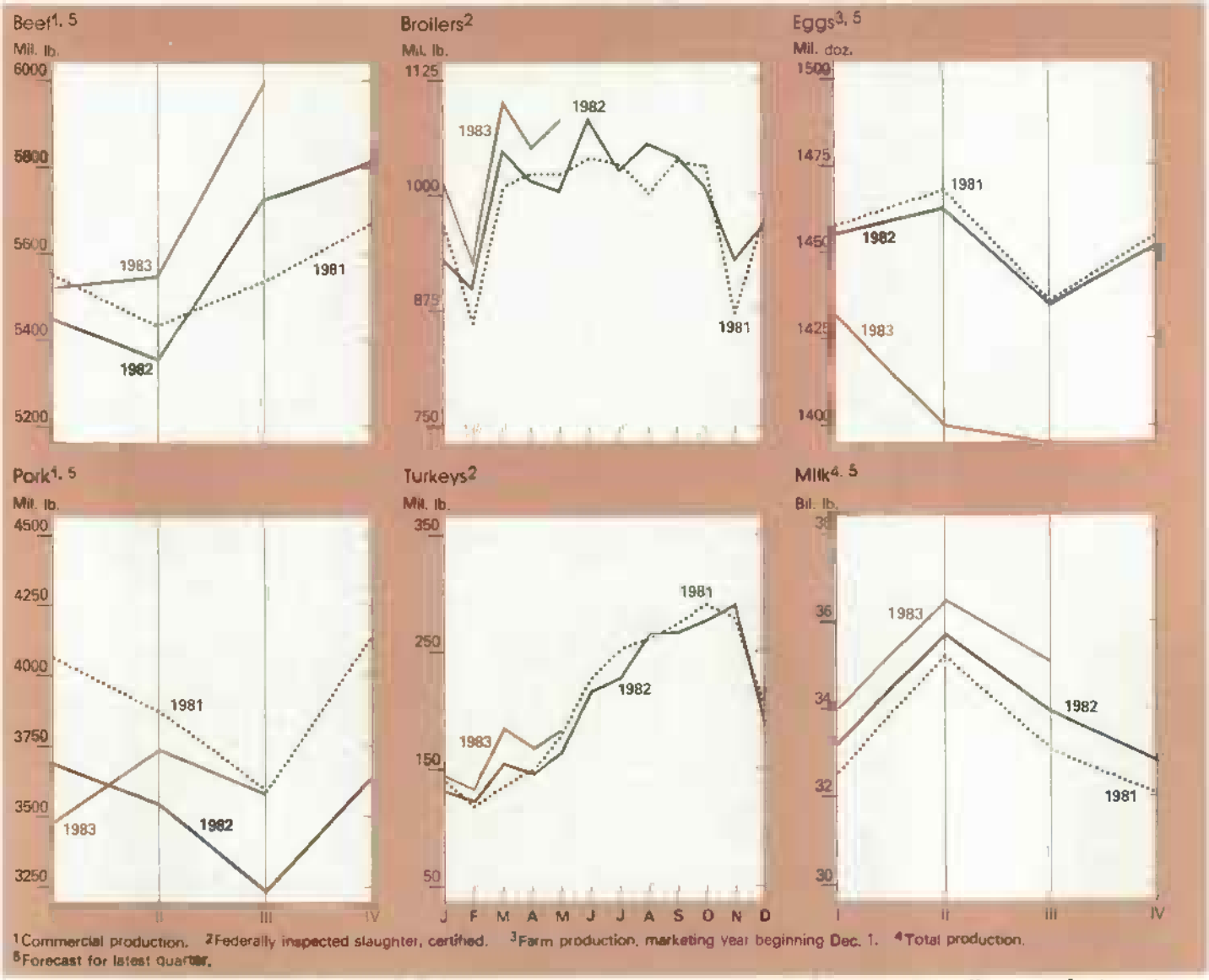
Domestic demand for broilers has been strong in 1983, though exports are down. During the second quarter, the composite wholesale price for whole birds in 12 cities averaged 46 cents a pound, compared with the 9-city price of 45 cents last year. During the weeks when both the 9-city and 12-city prices were reported, the 12-city price was 2 to 3 cents per pound higher than the 9-city one. Considering the increase in output, the second-quarter price was relatively strong. Moreover, prices strengthened further in recent weeks as output gains slowed. In the third quarter, prices are expected to average 47 to 51 cents a pound, up from the 9-city price of 44 cents a year earlier. With a normal seasonal decline in demand during the fourth quarter, together with larger supplies of pork, the 12-city price is forecast to average 42 to 46 cents a pound. [*Allen J. Baker (202) 447-8636*]

Eggs

Despite higher wholesale prices for eggs, egg producers likely lost money in the second quarter, as higher feed prices pushed up costs. During the remainder of 1983, feed costs are expected to stay above a year earlier. Higher costs are forcing producers to reduce output in order to strengthen prices. During March-May, the average number of layers was 4 percent below a year earlier.

Preliminary weekly slaughter estimates for June suggest more producers are holding on to their hens, but reduced slaughter also reflects a small laying flock from which to cull. Even with greater retention of older hens, the smaller flock is expected to hold down production during the remainder of 1983. During the third quarter, egg production is expected to decline 3 percent from the 1,437 million dozen produced last year. Output in the fourth quarter may drop 2 percent, if producers hold back enough old hens to maintain the flock size.

Total demand for eggs has been weaker this year, mainly because of a decline in foreign demand. Japan, our major market for egg products, reduced purchases 32 percent during January-May from the 37 million dozen (shell-equivalent) of a year earlier. Shell-egg exports fell 55 percent from January-May 1982, as the Middle East countries sharply curtailed their purchases.



[1]Commercial production. [2]Federally inspected slaughter, certified. [3]Farm production, marketing year beginning Dec. 1. [4]Total production. [5]Forecast for latest quarter.

While the strong dollar makes U.S. exports less competitive, higher domestic prices are attracting imports. During January-May, imported shell eggs and the shell equivalent of egg products totaled 6.4 million dozen, up from 0.6 million last year.

With reduced production, prices for cartoned Grade A large eggs delivered to retail stores in New York may average 67 to 71 cents a dozen in the third quarter, up from 66 cents last year. Egg prices will likely strengthen seasonally in the fourth quarter, averaging 69 to 73 cents—above last year's 68 cents. [*Allen J. Baker (202) 447-8636*]

Turkeys

Federally inspected turkey slaughter in the first quarter rose 12 percent from the 410 million pounds produced a year earlier. While production increased, so did domestic consumption.

Cold storage stocks of frozen turkeys have been well below last year's high levels. Stocks at the beginning of the year were 204 million pounds, down from 238 million last year. At the beginning of the second quarter, stocks totaled 185 million pounds, down from 233 million. Stocks increased in the second quarter, but they likely remained below the 282 million pounds on hand last year.

The movement of more whole turkeys into storage and some decline in slaughter strengthened wholesale prices in the second quarter. For 8- to 16-pound hen turkeys in New York, prices averaged 57 cents a pound, down from 58 cents last year. If producers slow output in the fourth quarter as expected, stocks for fourth-quarter consumption will have to be built in the third quarter. Thus, prices in the second half of 1983 are expected to be stronger than in the first half. During

the third quarter, prices for young hen turkeys are forecast at 57 to 61 cents a pound, down from last year's 65 cents. With large pork supplies, turkey prices may average 61 to 65 cents a pound in the fourth quarter, near last year's 64 cents.

Plentiful supplies and the resulting low prices for grain last year encouraged turkey producers to expand output for 1983. However, because of lower prices for turkeys early in the year and recent higher grain prices, the number of eggs placed in incubators since April has been below a year earlier. Based on the number of poults hatched for third-quarter slaughter, turkey meat output from federally inspected plants is anticipated to be 4 to 6 percent above last year's 761 million pounds. With the decline in eggs set, however, fourth-quarter output may be about the same as last year's 760 million pounds. [*Allen J. Baker (202) 447-8636*]

Dairy

Milk production during April-June was up 2 percent from a year earlier—the result of 0.6 percent more cows and 1.5 percent more output per cow. Gains in milk production will likely continue, but they should slow later this year. Total production for 1983 will likely be up about 2 to 3 percent.

During July, the all-milk price received by farmers averaged $13.20 per cwt—even with a year earlier. However, for the first 7 months of this year, the average was $13.49, 2 cents lower than last year. If prices were adjusted for the 50-cent deduction that started April 16, the return per cwt on all milk produced during January-July would be down 23 cents (1.7 percent) from a year earlier. The all-milk price will recover seasonally by 50 to 70 cents through the fall. However, with ample supplies, the year's average price will likely be little changed or down slightly from 1982.

With gains in milk production expected to slacken while commercial disappearance recovers from reduced cheese sales in the first quarter, USDA removals of dairy products in coming months should slow from a year earlier. [*Clifford M. Carman (202) 447-8636*]

CROP HIGHLIGHTS

Wheat

The production forecast for the 1983 U.S. wheat crop continues to be revised upward. In July, the estimate for all wheat was raised to 2.44 billion bushels from 2.34 billion in June; the initial April projection was 2.26 billion. In many areas, yields will be record high, offsetting some of the impact of the acreage left idle under this year's farm programs.

Even though the total crop will be about 13 percent smaller than last year, the record carryover of old-crop wheat—1.54 billion bushels—will keep the total supply for 1983/84 at last year's record of around 4 billion bushels. And, with total disappearance now estimated below 1983's production, yearend stocks in 1984 will build to another record high.

The 1983/84 price picture is being shaped by the high supplies, faltering export demand, and the feed grain situation. However, though harvesttime prices are below the $3.65 loan rate, heavy use of loans should boost the 1983/84 average within a range of $3.50 to $3.70—compared with $3.53 in 1982/83.

The forecast of world wheat production in 1983/84 increased this month to slightly below last year's record. The increase in the U.S. crop and sizable gains for Canada, India, and China more than offset reduced crop estimates for France, West Germany, Bulgaria, and Brazil. Foreign production will be a record because of high yields, even though harvested area will be the smallest since 1979. An increase of 6 million tons in the forecast of foreign production from last month was matched by an increase in expected consumption, leaving foreign ending stocks unchanged.

Offsetting revisions left the volume of world wheat trade anticipated for 1983/84 about the same as last month's projection—and still slightly higher than last year. Import estimates for 1983/84 were decreased for the USSR by 3 million tons to 18 million, and for Iran and India because of expected larger crops there. Larger imports are now in prospect for Mexico, Brazil, and Chile.

Exports by the major U.S. competitors—Canada, Argentina, Australia, and the European Community (EC)—are expected to increase to a record 56 million tons in 1983/84, 4 million above last year. Though Canadian, Argentine, and EC shipments are forecast about the same as last year, Australian exports will rebound considerably from last year's low volume. U.S. wheat exports will likely decline for the second consecutive year, to about 38 million tons.

In late July, announcement of a long-term agreement on grain trade with the Soviet Union created the possibility of improved wheat exports, however. Also, a U.S.-China textile agreement removed a stumbling block that has kept Chinese purchases of U.S. grain to a minimum. This will likely raise wheat sales in calendar 1984 from the 3 million tons sold so far in 1983. The U.S.-China grain agreement calls for sales of 6 to 9 million tons annually, with most of the purchases in wheat. [*Allen Schienbein (202) 447-8444 and Bradley Karmen (202) 447-8857*]

Feed Grains

Hot, dry weather developed over much of the major corn areas in July, prompting farmers to limit selling of available stocks. This pushed farm prices up to the trigger level of $3.15 for reserve IV corn (1981 crop), and the USDA announced the release of this reserve on July 15. However, continued hot, dry weather kept farm supplies tight, and prices rose to the trigger level of $3.25 a bushel for reserve V, which was released on July 26. By late July, cash prices in central Illinois had climbed to $3.40 a bushel, 25 cents above a month earlier.

The release of both reserves made over a billion bushels of corn eligible for market use. However, farmers likely will continue to hold stocks tightly, so prices could stay strong through harvest—particularly if unfavorable weather continues.

Because of above average yields, the barley and oat crops also are turning out somewhat larger than expected. The total barley supply will exceed a year earlier by more than 100 million

bushels, and the oat supply will be almost as large as last season's. Thus, barley and oat prices will likely average somewhat lower in relation to corn than during 1982/83.

Foreign coarse grain production and use are anticipated to be record large in 1983/84. Record yields and near-record area account for the large outturn, which in itself will account for most of the increase in foreign consumption, since world trade will expand only slightly. Total foreign stocks will decline, mostly in Europe.

Though world trade will likely increase several million tons in 1983/84, it will remain significantly below the level from 1978/79 through 1980/81. Some improvement could come from the recent U.S.-USSR trade pact, however. The United States, Australia, and Argentina are expected to pick up most of the increase in exports. Because of drought-reduced output, South African exports will fall from an average of 4 million tons during the last 3 years to only 500,000 this year.

Imports by the EC will continue a long-term downward movement. Soviet import prospects were reduced this month because of a continued favorable outlook for its coarse grain harvest. South Korean and Japanese imports will likely remain high, and large increases are anticipated for Eastern Europe, Morocco, Mexico, South Africa, and, possibly, Brazil. [*Larry Van Meir (202) 447-8776 and Bradley Karmen (202) 447-8857*]

Oilseeds

The slide in soybean prices that began in May was reversed in late June, when U.S. soybean growers indicated they were planting only 63.3 million acres, 2.5 million below April intentions and nearly 9 million below 1982. The acreage drop and hot, dry weather in July caused a dramatic rise in soybean prices. Prior to June 29, when the acreage report was released, soybean prices in central Illinois were about $5.75 a bushel; by late-July, prices had risen to around $6.90.

If final planted acreage is near growers' June indications, trend yields would put the U.S. soybean harvest slightly below 2 billion bushels this year—down 13 percent from last year's output of 2.28 billion. However, this season's estimated carryover of 455 million bushels would keep the total supply for 1983/84 large; at 2.45 billion bushels, supplies would be less than 4 percent below last season's record. But unfavorable July weather has added uncertainty to the forecast.

Stronger domestic use of soybean meal during 1983/84 should boost crushing margins and push the total crush to 1,140 million bushels, 40 million above 1982/83. Soybean exports, however, are likely to ease to 890 million bushels from this season's 900 million. With total use up and production down, the 1983/84 carryover may fall to 325 million bushels.

Prices for soybeans and products are expected to strengthen in the coming season. Soybeans could average between $5.75 and $7.25 a bushel, compared with $5.57 estimated for 1982/83. Soybean meal prices could be $175 to $205 a ton, up from $177 this season. Soybean oil will likely average between 17 and 22 cents a pound, compared with 18.5 cents.

This season's low prices and the 1983 farm programs have affected production decisions throughout the U.S. oilseed complex. Cotton acreage is expected to decline to 8.3 million and sunflowerseed acreage to 3.1 million. These lower acreages will cause sharp declines in output, thus tightening supplies and raising prices of both crops in 1983/84—which will add strength to soybean prices.

World oilseed production in 1983/84 is forecast at 176.2 million metric tons, 2.4 percent less than the year before—mainly because of the decline in U.S. output. Also, reduced acreage estimates for China's oilseed crops, particularly rapeseed, may result in smaller production. Rapeseed output in Canada is expected to recover because plantings are sharply higher. Palm oil output may gain in 1984 following 1983's decline.

World consumption of protein meals is expected to rise 2.5 percent in the coming year, with soybean meal leading the way with a gain of nearly 3.9 percent. The United States and the USSR will account for most of the gain in soybean meal use. U.S. use is projected to rise 4.2 percent, compared with a total foreign increase of 3.7 percent. In the Soviet Union, record livestock numbers are stimulating soybean meal demand, which was already rising because of a trend toward more protein meal feeding in the USSR.

Under the terms of the new 5-year U.S.-USSR grain trade agreement, the USSR can opt to reduce the minimum grain imports by 1 million tons if it purchases 500,000 tons of soybeans or soybean meal. In 1982/83, the USSR is expected to buy roughly 200,000 tons of soybeans. In past years, however, the Soviet Union has purchased as much as 1.2 million tons of U.S. soybeans (1978/79) and last year bought 800,000 tons.

In the European Community (EC), oilseed meal consumption may gain only 2 percent next season. Domestic rapeseed and sunflowerseed meal and the EC's intention to feed more wheat will partially fulfull protein meal needs, thereby slowing the growth in soymeal use. Demand for soybean imports is also constrained by weak European soybean oil prices, which are contributing to poor crushing margins.

World soybean trade is expected to rise 7 percent in 1983/84, with South American exporters accounting for the gain. U.S. soybean exports are forecast at 24.2 million metric tons, down slightly from the current year's estimate—implying a smaller U.S. share of world trade. U.S. soybean meal exports for 1983/84 are projected to increase slightly to 6.5 million tons from the revised 1982/83 estimate of 6.4 million.

Large stocks of palm oil have kept prices at a discount to soybean oil, despite a drop in palm oil output. With U.S. soybean oil prices exceeding world prices, U.S oil exports may gain only marginally in 1983/84, to 885,000 tons. [*Roger Hoskin (202) 447-8776 and Jan Lipson (202) 447-8855*]

Rice

With U.S. rice acreage now estimated at 2.3 million—higher than expected before the June acreage report—production for 1983/84 is forecast at 107 million cwt, up 7 percent from last month's projection, though still significantly lower than 1982's 154 million. A downward revision in exports for 1982/83, however, has boosted the anticipated carryin to 68 million cwt, and

this change plus the larger crop estimate has swelled 1983/84 supplies to around 176 million.

Prospects for export improvement this season are dim. While U.S. and South American prices show signs of strengthening, Asian rice prices—particularly Thailand's—continue to fall, widening the gap between world and U.S. prices. Exports in 1983/84 are now forecast at 67.5 million cwt, virtually unchanged from last season's disappointing level.

Weak export demand and a modest increase in domestic use imply total disappearance in 1983/84 of almost 140 million cwt. Ending stocks are expected to drop dramatically from 1982/83's 68 million cwt to 36 million—primarily because of lower production. Season average prices in 1983/84 are forecast at $8.50 to $10.00 per cwt; while this range is down 50 cents from last month's forecast, it remains well above the 1982/83 estimated average of $8.18.

In 1983/84, world production of milled rice is forecast to gain marginally from last season's record of 281 million tons, despite the expected sharp U.S. decline. However, a major determinant in foreign output is the Asian monsoon, which arrived late in South Asia. Indian output is expected to be near the 1981/82 level, substantially above 1982/83's drought-reduced level. Thai production is also expected to rise, while the Chinese crop may fall from last year's record.

Although use may fall slightly this season, it is still expected to exceed output. Thus, world stocks are forecast to continue falling, ending up about 10 percent lower than at the end of 1982/83.

World trade is likely to rise to 12.6 million tons in calendar 1983, up from last year's depressed level. Most exporters are increasing sales, especially Burma, China, Pakistan, and Taiwan. However, India's depressed crop and uncompetitive U.S. prices have reduced the exports of those countries. Thai exports may decline slightly from last year's record to 3.5 million tons; however, they are expected to be almost 60 percent larger than U.S. shipments. [*Barbara Stucker (202) 447-8444 and Eileen M. Manfredi (202) 447-8912*]

Cotton

Planting in all States was completed in late June. However, the crop remains about 2 to 4 weeks behind the average stage of growth, thus dimming yield prospects. As a result, estimated production has been lowered to 8 million bales, and average farm prices have risen from 61.7 cents per pound in May, to 64.4 cents in June, where they remained through most of July.

The estimate of 1983 planted acreage rose to 8.3 million following the June planting intentions report. Increases occurred in California and the Delta, despite reports of extensive flooding in those States during May. However, the onset of drought in the Texas High Plains has forced an increase in estimated abandonment for that State.

Projected exports for this season have been reduced from 5.5 to 5.3 million bales because of the changed U.S. harvest prospects. U.S. shipments will also be dampened by the prospective increases in foreign production for 1983.

Forecast U.S. mill use for 1983/84 still stands at 5.9 million bales. Per-capita cotton consumption rebounded to pre-recession levels during the first half of 1983, and mill use reached an annual rate of 5.9 million bales in June. The rise in domestic mill use has occurred despite an increase in the cotton-textile trade deficit since last year. Textile imports are expected to decline during the last half of 1983, however, as many categories reach quota ceilings. Also, domestic demand for textiles should continue to strengthen along with total consumer spending.

U.S. ending stocks for 1983/84 are now expected to fall to 5 million bales, representing about 45 percent of total use for the season. This compares with an ending stocks-to-use ratio of 76 percent for 1982/83 and an average of 39 percent for the last 11 years.

World cotton production in 1983/84 is forecast at 65.9 million bales—more than 2 percent lower than in 1982/83, primarily because of the lower U.S. output. By contrast, foreign output is projected to increase by 2.5 million bales. China is expected to remain the world's largest cotton producer, harvesting a projected bumper crop of 16.5 million bales. Production in the Soviet Union should rebound from the 1982/83 level, but continued production problems may keep the crop from exceeding 12.5 million bales. Indian production should increase slightly to 6.5 million. Several other exporters—including Pakistan, Turkey, Mexico, Sudan, Argentina, Brazil, and the Central American countries—are also expected to increase production in 1983/84.

World cotton consumption could increase around 2.8 percent in 1983/84. Chinese consumption of 17 million bales will probably account for about a fourth of the world total. Soviet disappearance may increase slightly to 9.5 million. Indian mill use could increase to 6.5 million, as workers in Bombay mills continue to return from their strikes. Western Europe and Japan are expected to show more modest, recovery-led consumption gains.

World cotton trade in 1983/84 may rebound more than 3 percent from this season's recession-dampened level, though it will remain well below the 1981/82 total. Import demand is expected to increase with general economic activity. The United States will continue as the largest exporter, though competition will increase—primarily from the USSR and Pakistan. [*Terry Townsend (202) 447-8444 and Edward Allen (202) 382-9820*]

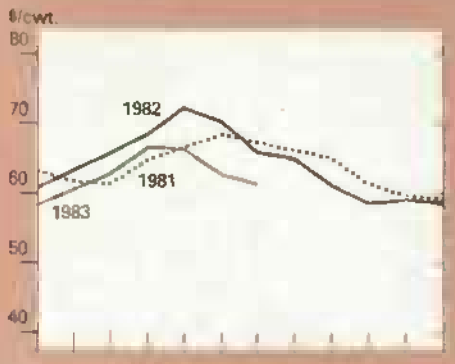
Peanuts

The June acreage report indicated planted area for peanuts of 1.36 million acres—up 4 percent from 1982. Acreage in the Southeast is up almost 10 percent; however, it is up only slightly in the Virginia-Carolina area, and down nearly 7 percent in the Southwest.

Despite increased U.S. acreage, a closer supply-demand balance should strengthen 1983/84 prices. Because of a smaller carryover from 1982/83, supplies will likely be down 5 percent in 1983/84. And with domestic use expected to increase, stocks should drop by the end of 1983/84. Moreover, exports should rise because smaller world production is in prospect—for the second consecutive year—and because world consumption of high quality, food-use peanuts—such as those produced in the United States—has been climbing steadily since 1978/79. [*Jorge Hazera (202) 447-8444*]

Commodity Market Prices: Monthly Update

Choice steers[1]



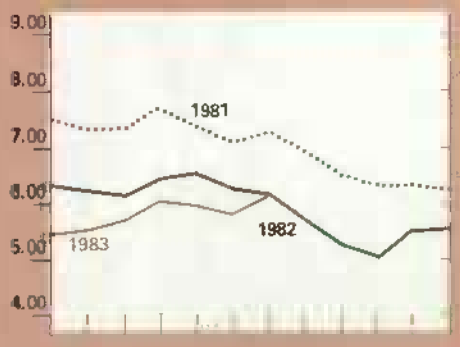
Broilers[4]

Corn[6]

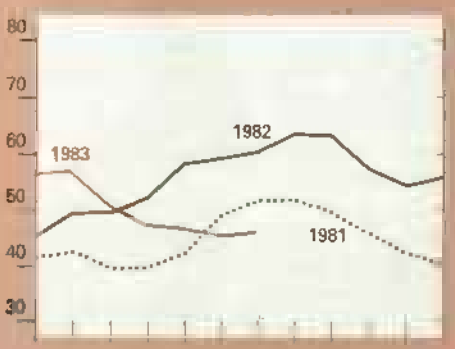
Choice feeder cattle[2]

Eggs[5]

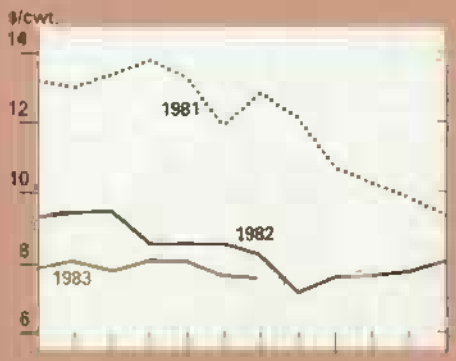
Soybeans[7]



Barrows and gilts[3]

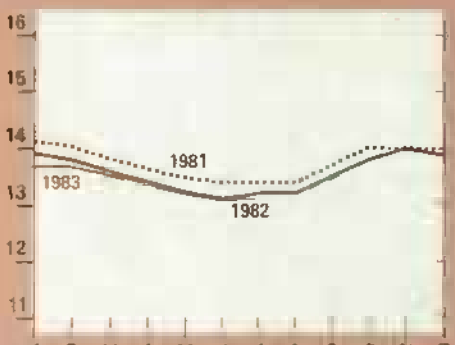


Rice (rough)



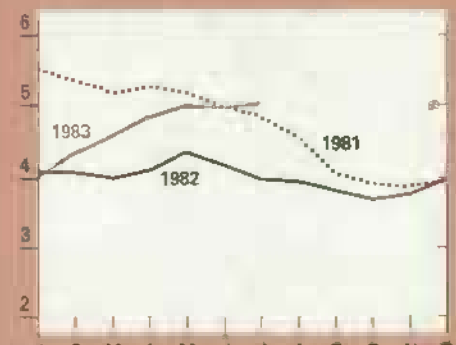
Wheat[8]

All milk



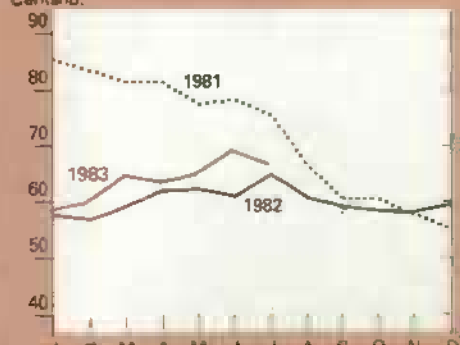
Prices for most recent month are mid-month prices.
[1]Omaha. [2]600-700 lbs., Kansas City. [3]7 markets.

Sorghum grain



[4]Wholesale, New York. [5]Grade A Large, New York.

Cotton[9]



[6]No. 2 Yellow, Chicago. [7]No. 1 Yellow, Chicago.
[8]No. 1 HRW, Kansas City.
[9]Average spot market, SLM, 1-16 "

Tobacco

The June acreage report estimated the U.S. tobacco area for harvest at 808,000 acres, about 100,000 below last year and the smallest since 1889. The flue-cured harvested area is estimated at a record low 431,000 acres, down 9 percent. The burley area is placed at 290,000 acres, off 15 percent.

Total disappearance of flue-cured tobacco in 1982/83 may have dropped about 8 percent from last season's 1.01 billion pounds, reflecting reduced cigarette output and smaller exports. Disappearance has remained below 1982 marketings, so July 1 stocks will exceed last year's 2.15 billion pounds. This season, stocks could drop because 1983 marketings are expected to fall short of use. When flue-cured markets opened in late July, prices were about 10 cents below last year, reflecting weak demand.

This season's burley use may be about the same as last year's 605 million pounds. A slight gain in domestic disappearance may offset a small drop in exports. However, use is well below marketings, so October 1 stocks will likely build from last year's 1.12 billion pounds. Growers are expected to produce and market less burley during 1983/84, but marketings may again exceed use, further boosting stocks.

The use of fire-cured tobacco is rising, and supplies for next season will likely be lower than this year. Dark air-cured supplies will be a little higher than during 1982/83. Use of cigar leaf has risen slightly, and the smaller crop projected for 1983 will push down next season's stocks.

U.S. cigarette consumption for the year ending June 30 will be down 3 to 4 percent. Cigarette exports have also been off, so output for 1982/83 will likely fall below the 722 billion cigarettes produced last season. Production is expected to continue lower than a year earlier in the second half of calendar 1983. However, domestic sales could exceed first-half levels because of slower price rises and the improving economy. Cigar production is down this season, as is output of plug chewing tobacco. Output of snuff and loose-leaf chewing tobacco has advanced slightly. [*Verner N. Grise (202) 447-8776*]

Fruit

On July 1, noncitrus fruit production for 1983 was estimated to be 5 percent below last year, primarily reflecting smaller crops of California grapes and peaches. The California grape crop is forecast at 5.4 million tons—down 12 percent from 1982, but still 35 percent more than in 1981. The U.S. peach crop is forecast at 2.13 billion pounds, 7 percent less than last year. The freestone crop, which excludes California clingstone peaches that are mostly canned, is expected to total 1.21 billion pounds, 2 percent above the 1982 crop despite sharply smaller harvests in the nine Southern States. California clingstone production is down 17 percent from 1982.

The initial U.S. apple forecast for 1983 indicates a crop of 8.4 billion pounds, 4 percent above last year. Increases in the Eastern and Western States should more than offset decreases in the Central States. Washington, the leading apple-producing State, is expecting a crop of 2.95 billion pounds, up 13 percent from 1982.

Early in July, shipping point prices for most summer fruits were below a year earlier. Despite the substantially smaller crop, f.o.b. prices for California grapes have also declined and are now well below a year ago. With larger stocks of raisins and wine, supplies of grapes for the fresh market are expected to be adequate this season. Consequently, grape prices for the fresh market are likely to remain below last year's level. On the other hand, peach prices in Georgia and South Carolina have been well above a year earlier, reflecting the 28-percent smaller crop in the nine Southern States. Prices are expected to average substantially above last year's high. F.o.b. prices for California freestone peaches have declined sharply from the early season's high, but they have strengthened recently. In July, prices were moderately below to near a year earlier. [*Ben Huang (202) 447-7290*]

Vegetables

Vegetable growers—producing fresh and processed vegetables, dry peas and beans, mushrooms, potatoes, and sweetpotatoes—should achieve higher cash receipts this year than last. Gross returns for 1983 will likely rise 2 to 5 percent from $8.5 billion in 1982. Spring rains reduced supplies and pushed up prices for fresh vegetables and potatoes, while lower 1983 planted acreage for the field crops (potatoes, sweetpotatoes, and dry beans) will boost receipts during the second half of 1983.

In 1983, retail prices for fresh vegetables will rise only slightly from 1982's average. After averaging below a year earlier in the first half, however, retail prices are expected to rise moderately in the second half—reflecting this year's reduced summer acreage, the hangover effects from the wet, cool spring, higher transportation costs, and improved demand due to better economic conditions. Supplies of processed vegetables during 1983/84 will be slightly smaller than last year's relatively large stocks. That, combined with slower rises in marketing costs, suggests continued stable prices for processed vegetables through at least early 1984. During first-half 1983, the retail price index for processed vegetables equaled the year-earlier level.

Planted acreage for the fall potato crop declined 3 percent from last year to 1.08 million acres. The relatively low prices received for much of the 1982 crop and lower contracted area by some processors contributed to the cutback. As a result, grower prices for the 1983 season will average between $5.00 and $5.50 per cwt, compared with $4.59 and $5.41 for 1982 and 1981, respectively.

Reduced 1982/83 exports of dry beans and extremely low prices (the 1982 grower price of $13.40 per cwt was the lowest since 1972) prompted growers to sharply curtail dry bean acreage—resulting in the smallest area since 1921. This year's plantings are 38 percent less than a year ago and nearly 50 percent less than in 1981. In addition, large production cutbacks are in the offing in other importing and exporting countries, including South Africa, Brazil, and Argentina. Mexico, in recent years an important factor in the bean market, could possibly return to the U.S. market after last year's hiatus. As a result, even though the

high value of the U.S. dollar could limit export sales, grower prices should increase substantially during 1983/84—averaging between $20 and $25 per cwt. [*Michael Stellmacher (202) 447-7290*]

Sugar

Global stocks of sugar are estimated to rise to about 42 million metric tons—representing 46 percent of consumption—during 1982/83 (September-August). The heavy prospective volume of stocks is keeping world sugar prices relatively low, although still higher than calendar 1982's average of 8.4 cents a pound. World sugar prices (f.o.b. Caribbean) averaged 10.6 cents a pound in early July. During July-December, prices are forecast to range between 10 and 12 cents a pound.

The sugar beet harvested area for 1983/84 is estimated at 1.05 million acres, up 1.7 percent from last season. Despite the larger area, U.S. beet sugar output in 1983/84 could be lower because of reduced yields resulting from wet weather and delayed planting. For sugarcane, harvested area in 1983/84 is estimated at 777,700 acres, up 2.4 percent. However, lower, more normal yields could reduce U.S. cane sugar output next season. Overall U.S. sugar production for 1983/84 is forecast at 5.4 to 5.8 million short tons.

The demand for high fructose corn syrup (HFCS) was boosted this spring when two major soft drink companies permitted more HFCS use in their cola products. A pick-up in demand for ethanol, also produced by some corn wet-milling plants that make HFCS, has further tightened capacity utilization and helped raise HFCS prices. After ranging from 17.0 to 18.5 cents in April, prices for HFCS-55 (used in soft drinks) surged to 22.0 to 23.5 cents a pound in June. Prices are now about 7 cents higher than in January and 3 to 4 cents above the 1982 calendar-year average. In the Chicago-West market, the price discount for HFCS-55 relative to refined sugar dropped from 41 percent in first-quarter 1983 to 22 percent in June. HFCS consumption in 1983 is estimated to rise about 500,000 tons from last year, while refined sugar use could decline about 300,000 tons. [*Robert Barry (202) 447-7290*]

Recent Publications

USDA's Economic Research Service publishes a number of research reports, statistical supplements, handbooks, and other periodicals that may be of interest to you as an *Agricultural Outlook* reader.

NEW REPORTS—GPO

The following reports are available FOR SALE ONLY from the Superintendent of Documents, U.S. Government Printing, Office, Washington, DC 20402. Order by report title and number. Make checks payable to Superintendent of Documents. Prices subject to change. Bulk discounts available. For faster service or further information call GPO's order desk at (202) 783-3238.

The U.S. Poultry Industry: Changing Economics and Structure. AER-502. 32 PP. Price: $3.25.

Farm Real Estate Market Developments. CD-88. 40 pp. Price: $3.50.

Returns to Corn Pest Management Practices. AER-501. 20 pp. Price: $2.50.

Food Import Demand of Eight OPEC Countries. FAER-182. 124 pp. Price: $5.00.

Upcoming Crop Reporting Board Releases

The following list gives the release dates of the major Crop Reporting Board reports that will be issued by the time the September *Agricultural Outlook* comes off press.

August

31	Egg Products
	Agricultural Prices

September

1	Poultry Slaughter
2	Dairy Products
9	Vegetables
12	Crop Production
13	Peanut Stocks & Processing
14	Milk Production
	Cattle on Feed
19	Catfish
20	Soybean Stocks
	Hogs & Pigs
22	Eggs, Chickens, & Turkeys
	Cold Storage
	Livestock Slaughter
23	Citrus Fruits

Reports available through subscription only. For subscription information, write or call: Jerry Clampet, SRS-Crop Reporting Board, Rm. 5809-South Bldg, Washington, D.C. 20250 (202) 447-2130.

Upcoming Economic Reports

Title	Summary Released
Fruit	Sept. 7
Sugar & Sweetener	Sept. 9
Ag Supply & Demand	Sept. 13
Tobacco	Sept. 14
Dairy	Sept. 15
Rice	Sept. 22

For subscription information, write or call: EMS Information, Rm. 440 GHI Bldg, 500 12th St. SW, Washington, D.C. 20250 (202) 447-8590. Summaries are available on AGNET on the dates indicated; AGNET will have the full reports within 2 to 3 days of summary release.

Farm Income Update

OUTLOOK FOR 1983:

Higher Net Income in Prospect

Lower production expenses combined with benefits from Government programs will likely raise 1983 farm income from 1982's level, despite a decline in cash receipts. The forecast of production expenses has been lowered since the May report because of continued moderation in input prices and revisions to past years' data. (Expense data for the previous year largely form the base for current-year forecasts.) Rising crop prices have further boosted 1983 income forecasts.

Thus, with expenses in 1983 about $5 billion lower than originally expected, net farm income is now forecast to range from $25 to $29 billion, compared with the $18 to $22 forecast earlier this year. This exceeds the $22.1 billion estimated for 1982, but still falls short of 1981's $30.1 billion. Previous estimates for 1981 and 1982 were $25.1 billion and $20.4 billion, respectively.

Because of higher Government payments (including the value of PIK commodities disbursed this year) and marginal increases in other farm income sources, gross farm income is forecast to remain near the $162.2 billion of 1982.

Farm Income and Cash Flow Statement

	1979 r	1980 r	1981 r	1982 r	1983 F
			$ Bil		
Farm Income Sources:					
1. Cash receipts	131.8	140.5	142.3	144.6	135 to 139
Crops[1]	63.2	72.7	73.1	74.4	65 to 69
Livestock	68.6	67.8	69.2	70.2	68 to 72
Cash Government payments	1.4	1.3	1.9	3.5	4 to 6
Value of PIK commodities	0.0	0.0	0.0	0.0	6 to 8
2. Direct Government payments	1.4	1.3	1.9	3.5	10 to 14
3. Other cash income[2]	1.6	1.6	2.0	2.1	1 to 3
4. Total cash income (lines 1+2+3)[3]	134.7	143.4	146.2	150.1	148 to 152
5. Nonmoney income[4]	10.7	12.1	13.3	13.9	14 to 16
6. Realized gross income (lines 4+5)	145.4	155.5	159.4	164.0	162 to 166
7. Value of inventory change	4.9	-5.3	7.6	-1.9	-1 to -4
8. Total gross income (lines 6+7)	150.4	150.1	167.1	162.2	161 to 165
Production Expenses:					
9. Cash expenses[5,6]	97.3	105.3	111.6	113.9	109 to 113
10. Total expenses	118.1	128.6	137.0	140.1	134 to 138
Income Statement:					
Net cash income:[1,6]					
11. Nominal (lines 4 minus 9)	37.4	38.1	34.6	36.2	37 to 41
Deflated (1972$)[7]	22.9	21.3	17.7	17.5	17 to 19
Net farm income[1]					
12. Nominal total net (lines 8 minus 10)	32.3	21.5	30.1	22.1	25 to 29
Deflated (1972$)[7]	19.7	12.0	15.4	10.6	11 to 13
Deflated (1967$)[8]	14.8	8.7	11.0	7.6	8 to 10
13. Off-farm income	35.3	37.7	39.9	39.4	40 to 44
Other Sources and Uses of Funds					
14. Change in loans outstanding[9]	23.9	15.2	15.5	6.8	0 to 4
Real estate	13.0	9.4	9.3	3.7	1 to 5
Nonreal estate	10.9	5.9	6.2	3.1	-3 to -1
15. Rental income	5.6	5.6	5.7	5.0	4 to 6
16. Gross cash flow (lines 11+14+15)	66.9	58.9	55.8	48.0	44 to 48
17. Capital expenditures[6]	19.9	18.0	16.8	13.9	12 to 16
18. Net cash flow[1,6] (lines 16 minus 17)	47.0	40.9	39.0	34.1	31 to 35

r = revised. F = Forecast. [1] Includes net CCC loans. [2] Income from custom work, machine hire, and farm recreational activities. [3] Numbers in parentheses indicate the combination of items required to calculate a given item. [4] Value of home consumption of farm products and imputed rental value of farm dwellings. [5] Excludes depreciation, and prequisites to hired labor and include net rent to all landlords. [6] Excludes expenses associated with farm dwellings. [7] Deflated by the GNP implicit price deflator. [8] Deflated by the CPI-U. [9] Excludes CCC loans. Component numbers may not add to totals because of rounding.

• *Net cash income and net cash flow.* Net cash income (which measures the cash available for capital asset purchases, loan retirement, and farm household operation) also will likely exceed the estimated 1982 level of $36.2 billion. Net cash income is currently forecast to range from $37 to $41 billion (including net CCC loans) in 1983. Net cash flow is expected to decline from the $34.1 billion estimated for 1982—ranging from $31 to $35 billion this year, as loans outstanding rise less than in the past few years and rental income declines.

• *Capital spending.* Capital expenditures (excluding outlays for operator dwellings) are anticipated to remain near last year's level—ranging from $12 to $16 billion, compared with $13.9 billion in 1982. Higher machinery prices should almost offset lower unit sales; however, expectations of higher crop prices and income in coming months could spur more machinery sales, assuming interest rates and equipment prices remain relatively favorable.

• *Government payments.* Federal payments to farmers will add significantly to farm income in 1983. Income from deficiency payments, cropland diversion, grain storage, and conservation programs are forecast to range from $4 to $5 billion. Cropland-diversion and reserve-storage payments will each amount to about $1 billion, with deficiency payments totaling somewhat more. With PIK payments (valued at the loan rate for the individual crop loan) totaling nearly $7 billion in calendar 1983, direct Government transfers could reach $11 to $12 billion. Another $1 to $2 billion in PIK payments may be delayed until the first quarter of 1984, as some farmers will take full advantage of the 5 months of storage assistance provided.

• *Cash receipts.* Total cash receipts from 1983 farm marketings are forecast to decline 5 to 7 percent from the $144.6 billion of 1982. Livestock receipts will likely remain near the $70.2 billion of 1982, as prices received for livestock and products decline slightly from their 1982 level while marketings rise somewhat. Crop cash receipts, always highly uncertain in early summer, could fall 8 to 12 percent from the $74.4 billion of 1982. The volume of crop marketings, however, is expected to fall 10 to 12 percent in 1983—reflecting the impact of this year's farm programs. Prices received for all crops are forecast up 1 to 3 percent from the 1982 average, with higher prices for feed grains, cotton, vegetables, and oil crops outweighing lower prices for fruit.

• *Commodity Credit Corporation (CCC) loans.* The large PIK-related redemptions of both regular and reserve CCC loans will be crucial in determining the magnitude of crop receipts in 1983. Although the amount of loan redemptions needed to satisfy the PIK entitlements is well established, the number of new loans to be made this year is highly uncertain. The percentage of the 1983 crop farmers place under CCC loan will depend, as usual, on prices and supplies after harvest. The share placed under CCC loan during calendar 1983 will affect the crop receipts figure.

Production Expenses Still Forecast Down

Farm production expenses are forecast to fall 2 to 4 percent from the $140.1 billion estimated for 1982, ranging from $134 to $138 billion. Cash expenses may total $109 to $113 billion, compared with $113.9 billion in 1982. The decline in total expenses, only the third since 1940, is due mostly to an expected 4- to 6-percent decline in overall farm input use. Smaller price increases for some inputs and declines for fertilizers, fuels, and nonreal estate interest will also help lower overall input costs.

Expenses for farm-origin inputs (feed, seed, and feeder livestock) are expected to rise about 2 percent to $32 billion. While seed costs are down substantially because of reduced use, outlays for feed and feeder livestock will likely rise. Of these items, feed expenses are expected to rise the most—nearly a tenth—in 1983. Most of this increase will be due to higher prices for raw grains and meals. However, use will also likely rise this year as cattle feeding expands and pork production increases.

Because of substantial cutbacks in capital expenditures during the past 3 years, depreciation of farm capital will likely decline in 1983 for the first time since 1946. Until recently, the substitution of capital for labor, together with rising machinery prices, caused depreciation expenses to rise substantially. But with capital spending forecast to at best remain flat in 1983 and more likely to decline again following last year's large drop, depreciation of the smaller capital stock should decline. Whether or not depreciation will decline in 1984 depends on the degree of recovery in machinery sales in response to improved farm income.

1982 INCOME ESTIMATES COMPLETED

The usual midyear revisions of the previous years' income statistics are large this year both because of new information (incorporated every year) and because data for the 1980 and 1981 Farm Production Expenditure Surveys were revised. Previous estimates showed net farm income for 1980, 1981, and 1982 at $20.1 billion, $25.1 billion, and $20.4 billion, respectively; the revised estimates are $21.5, $30.1, and $22.1 billion. Thus, while the levels have changed, the year-to-year pattern has not.

Total cash income rose 2.7 percent to $150.1 billion in 1982, as cash receipts increased 1.6 percent and direct Government payments nearly doubled. Concurrently, total cash expenses (excluding farm-household costs) rose 2.1 perent to $113.9 billion, leaving net cash income at $36.2 billion (including net CCC loans), up about 5 percent. In constant (1972) dollars, net cash income fell 1 percent to $17.5 billion. Nominal net cash income—the residual cash avaflable for purchasing capital assets, retiring loans, and operating the farm household—rose for the first time since 1980, but remained about $2 billion lower than that year's record.

While net cash income increased in 1982, net farm income declined 27 percent to $22.1 billion. Net farm income measures the return to farm operators for their labor, management, and capital investment in land and equipment. Nearly all of the 1982 decline is due to a large swing in the value of inventory change. In 1981, net farm income increased mainly because of the rise in unsold crop inventories held by farmers at the end of the year, in contrast to what happened the year before following 1980's drought-reduced output. In 1982, the opposite occurred: the inventory change declined because of smaller livestock inventories, a sharply reduced cotton crop, and substantial use of CCC loans (which took inventory out of farmers' hands).

Net cash flow—which measures the change in cash available for household consumption, further business operation, or acquisitions of land and buildings—fell 12 percent to $34.1 billion in 1982. The decline resulted from

a smaller rise in loans outstanding and reduced rental income, which offset higher net cash income and reduced capital outlays.

Off-farm income in 1982 is estimated at $39.4 billion, down about 1 percent from the revised $39.9 billion of 1981. And though farm family income fell 11 percent last year to $25,618 per farm, it was still the third highest on record.

Cash Receipts Rose Slightly in 1982

Total cash receipts from 1982 farm marketings are now estimated at $144.6 billion, up 1.6 percent from the revised 1981 receipts of $142.3 billion. In constant (1972) dollars, receipts fell 4.1 percent. Nominal receipts rose 1.8 percent for crops and 1.4 percent for livestock and products. Previously, total cash receipts for 1982 had been forecast at $144.0 billion.

• *Crop receipts.* Cash receipts from crop marketings totaled $74.4 billion, up from 1981 as a 10-percent fall in farm prices was outweighed by a big gain in sales volume. The two consecutive record crops of 1981 and 1982, plus record large CCC loan activity, accounted for 1982's larger marketings. Net CCC loans represented about $9.1 billion of total crop cash receipts. Net loans (including reserve loans) for corn amounted to $3.8 billion, those for wheat were about $2.0 billion, and those for cotton and soybeans were $1.1 billion each. Farmers took out most of these loans in December ($3.0 billion) and January ($2.7 billion)—traditionally strong loan-activity months, especially for cotton and feed grains. Throughout much of 1982, the CCC regular loan rate exceeded market prices for program commodities, thus making CCC loans an attractive source of cash for eligible farmers.

Cash receipts for feed grains and hay increased about 6 percent last year to $18.2 billion, with record-large marketings and heavier use of CCC loans offsetting lower market prices. For corn, net CCC loans accounted for more than 28 percent of last year's cash receipts.

Cash receipts for food grains fell about 1 percent in 1982 to $11.5 billion; receipts declined 1 percent for wheat and 2 percent for rice. For oil crops, 1982's cash receipts of $13.8 billion were about unchanged from 1981, as a small increase in soybean, sunflowerseed, and flaxseed receipts was offset by lower receipts for peanuts. Receipts from cotton marketings rose 8 percent from the $4.5 billion of 1981, because of larger marketings and strong CCC loan activity (net CCC loans accounted for 23 percent of cotton receipts).

Cash Receipts, 1979-1982

	1979 r	1980 r	1981 r	1982 r
		$ Mil.		
Crop Receipts				
Food grains	9,047	10,386	11,616	11,516
Wheat	7,823	8,837	9,847	9,778
Rice	1,188	1,519	1,729	1,694
Feed grains and hay	14,042	18,318	17,147	18,226
Corn	10,283	13,966	12,790	13,428
Oats	272	303	373	336
Barley	647	736	864	844
Sorghum	1,169	1,394	1,260	1,558
Hay	1,670	1,918	1,860	2,061
Oil crops	14,326	15,497	13,868	13,826
Soybeans	12,964	14,246	12,256	12,434
Peanuts	831	606	1,044	813
Other oil crops	531	645	567	578
Cotton (incl. seed)	4,305	4,478	4,515	4,884
Tobacco	2,271	2,674	3,250	3,342
Fruits and nuts	6,436	6,532	6,617	6,669
Vegetables	6,454	7,285	8,451	8,089
Other crops	6,293	7,538	7,607	7,801
Total crops	63,174	72,706	73,071	74,353
Livestock Receipts				
Red meats	43,901	40,856	39,779	40,963
Cattle	31,634	28,947	27,417	27,927
Calves	2,766	2,518	2,161	1,966
Hogs	9,027	8,921	9,765	10,623
Sheep and lambs	474	470	416	447
Poultry and eggs	8,925	9,157	9,951	9,541
Broilers	4,025	4,305	4,650	4,481
Turkeys	1,215	1,269	1,248	1,256
Eggs	3,328	3,247	3,649	3,436
Other poultry	357	336	404	368
Dairy products	14,650	16,587	18,128	18,354
Whole milk	14,354	16,274	17,797	17,983
Other dairy products	296	313	331	371
Other livestock products	1,118	1,195	1,344	1,340
Total livestock	68,594	67,795	69,202	70,199
Total cash receipts	131,768	140,501	142,273	144,551

r = revised. Components may not add to totals because of rounding.

• *Livestock receipts.* Cash receipts from marketings of livestock and products totaled a record $70.2 billion in 1982, up from $69.2 billion in 1981. Prices received by farmers for all livestock and products rose about 1 percent, while marketing volume remained near the year-earlier level. For meat animals, cash receipts rose 3 percent to $41.0 billion, the first increase since 1979. While for cattle and

Farm Production Expenses, 1979-1982

	1979 r	1980 r	1981 r	1982 r
		$ Mil.		
Farm-origin inputs	33,241	32,292	31,557	31,107
Feed	17,655	18,520	18,631	17,439
Feeder livestock	12,626	10,421	8,996	9,675
Seed	2,960	3,351	3,930	3,993
Manufactured inputs	18,472	22,868	24,726	23,592
Fertilizer and lime	7,530	9,922	10,074	9,024
Fuels and oils	6,243	7,876	9,109	8,817
Electricity	1,641	1,760	1,975	2,103
Pesticides	3,057	3,310	3,569	3,648
Interest charges	13,058	16,261	19,864	21,829
Nonreal estate interest	6,868	8,717	10,722	11,349
Real estate interest	6,190	7,544	9,142	10,481
Other operating expenses	25,454	27,047	28,290	31,167
Hired labor	9,548	10,272	10,168	12,069
Repair and operation	7,307	8,064	8,085	8,252
Machine hire	2,257	2,247	2,768	2,883
Miscellaneous operating	6,342	6,464	7,269	7,963
Other overhead costs	27,882	30,171	32,562	32,408
Depreciation	19,170	21,390	23,402	23,642
Taxes	3,910	3,942	4,305	4,508
Net rent to nonoperator landlord	4,802	4,839	4,855	4,258
Total production expenses	118,107	128,639	136,999	140,103

r = revised. Components may not add to totals because of rounding.

calves a gain in volume raised receipts 1 percent, for hogs higher prices (up 25 percent) more than offset lower volume to raise receipts 9 percent. Hog cash receipts had risen nearly 10 percent in 1981. Dairy cash receipts rose 1 percent to $18.4 billion, the smallest year-to-year increase since 1965; though milk prices slipped 1 percent in 1982, marketings gained 2 percent as milk cow numbers and output per cow continued to increase.

For poultry and eggs, cash receipts declined 4 percent to $9.5 billion, the first decline since 1974. Lower prices outweighed increased production, leaving broiler receipts down nearly 4 percent. Egg receipts fell 6 percent as both prices and output declined.

Production Expenses Rose Only Slightly

After increasing 8.9 percent and 6.5 percent in 1980 and 1981, respectively, farm production expenses rose only 2.3 percent in 1982—to $140.1 billion. In constant (1972) dollars, expenses fell 3 percent. Prices paid by farmers for production items, interest, taxes and wages increased 2 percent, the smallest gain since 1968, while overall input use was roughly flat.

Expenses decreased 1.4 percent for farm-origin inputs, 4.6 percent for manufactured inputs, and 12.4 percent for net rent to nonoperator landlords (a revision reflecting new information from the 1979 Farm Finance Survey). Outlays rose for interest charges, wages, and other operating costs. Meanwhile, marketing charges and other miscellaneous expenses increased 4 and 12 percent, respectively.

Expenses that rose the most from 1981 to 1982 were hired labor (up 18.7%), real-estate interest (up 15%); machine hire, custom work, and contract labor (up 8%); livestock purchases (up 7.5%); and electricity (up 6.5%). Increases in the cost and use of kilowatt hours raised farm electricity expenses, while higher hog prices and larger shipments of cattle and calves out of State for feeding and breeding raised expenses for livestock purchases. Outlays for machine hire, custom work, and contract labor continued to be influenced by larger harvests and higher prices for production items. Interest expenses rose because of increased borrowing and higher rates on outstanding debt.

Major expenses that declined during 1982 include feed, fertilizer, and energy. Feed expenditures decreased by 6 percent, with falling prices for grains, byproducts, and manufactured feeds driving the decline. Fertilizer costs fell 10 percent last year; use fell for the second straight year, forcing prices down as manufacturers' supplies began to build. Farmers spent 3 percent less on fuels and oils, reflecting lower prices for gasoline and diesel fuel.

Farm Income from Other Sources Substantially Higher

Farm income from direct Government payments, other cash income, and nonmoney income increased 13 percent in 1982 to $19.5 billion. Direct Government payments totaled about $3.5 billion, nearly double 1981's $1.9 billion; reserve storage payments of $907 million were the largest single payment item in 1982, followed by the cotton program at $800 million (including $683 million for price deficiency), the feed grain program at $713 million ($529 million for price deficiency), and the wheat program at $652 million ($632 million for price deficiency).

Other cash income of $2.1 billion was drawn from farm recreational activities ($0.2 billion) and from machine hire and custom work. Nonmoney income totaled $13.9 billion, comprising $12.8 billion for the imputed rental value of farm dwellings and $1.1 billion for the value of farm products consumed on the farm. Revisions to the value of service buildings and operator dwellings, based on the Farm Finance Survey, changed the estimated rental value of farm dwellings. These revisions were instrumental in lowering the 1980 and 1981 estimates for gross rental value by $0.4 billion and $0.6 billion, respectively, and thus caused the 1982 estimate to fall $1.0 billion from the level forecast earlier.

The Inventory Value Fell in 1982

The value of the change in inventory for crops is derived by deducting the quantities sold and fed from total production and then multiplying the residuals by calendar year average prices.

Farm Capital Expenditures, 1978-1982

	1978 r	1979 r	1980 r	1981 r	1982
			$ Mil.		
Buildings					
Operator dwellings	1,653	1,097	1,686	1,233	1,461
Service buildings	5,209	5,588	5,190	4,696	3,911
Total	6,862	6,685	6,876	5,929	5,372
Machinery					
Tractors	3,283	3,746	3,683	3,740	2,887
Trucks	1,829	2,054	1,756	1,522	1,533
Autos	469	484	374	390	364
Other machinery	7,158	8,002	6,956	6,481	5,247
Total	12,739	14,286	12,769	12,133	10,031
Total capital spending	19,601	20,971	19,645	18,062	15,403
Total less operator dwellings	17,948	19,874	17,959	16,829	13,942

r = revised.

For livestock, it is the change in the number of animals during the year times the average value per head. The total inventory change is estimated at -$1.9 billion for 1982, compared with a revised $7.3 billion for 1981 and -$5.3 billion for 1980. The $1.0 billion revision for 1980 and the $2.1 billion change in the 1981 inventory value were due mainly to new data on the marketing patterns for 1982 crops and to revised data on commodity production and prices.

Capital Expenditures Down For Third Straight Year

Farm outlays for capital items (structures and machinery) declined in 1982 for the third consecutive year. Total capital expenditures (including operator dwellings) fell about 15 percent to $15.4 billion, with substantially fewer purchases outweighing higher prices for most machinery and service buildings. Expenditures rose slightly for trucks and substantially for operator dwellings, as farmers spent more on additions and alterations. Capital expenditures for 1980 and 1981 were revised downward $0.3 and $0.8 billion from the earlier estimates, mostly because of revised data from the 1980 and 1981 Farm Production Expenditures Surveys.

Low farm earnings, high interest rates, and uncertainty about future commodity prices likely were responsible for the substantial drop in machinery sales last year. Capital expenditures for machinery and motor vehicles declined 17 percent to $10.0 billion. The largest percentage decline was for tractors, which fell 23 percent, followed by other farm machinery and implements, which fell 19 percent.

Income Data for 1980 and 1981 Revised

Farm income statistics for 1980 and 1981 have been changed to reflect both new and revised information. The major revisions occurred in production expenses, cash receipts, and inventory change. Changes in the estimates of cash receipts for 1980 resulted from the cumulative effect of numerous minor data revisions, while 1981 receipts were affected mainly by the acquisition of the actual marketing patterns for the major 1981 crops. In 1981, the marketing pattern now indicates that crop sales volume in the fourth quarter was lower than first estimated, leading to lower crop receipts and a corresponding increase in the value of inventory change. Since these two changes essentially cancel each other out, their impact on 1981 gross farm income and, thus, on net income was minor.

Part of the ongoing process of updating the farm income accounts includes annually incorporating new and revised data from a variety of sources. One source made available this year, the 1979 Farm Finance Survey (the last such survey was in 1970), provided information that led to revised estimates of interest charges, net rent to nonoperator landlords (NOLL), gross rental value of farm dwellings, and depreciation. The 1979 survey data revealed that interest charges previously had been understated and that net rental expenses and the gross rental value of farm dwellings had been overstated. The survey's biggest impact was in the net rent to NOLL, and its smallest impact was on depreciation (building values used in calculating capital consumption of buildings were revised). The net rent to NOLL was revised down $0.9 billion in 1980 and $1.7 billion in 1981, also reflecting changes in other data.

Farm Income Estimates for Prior Years Revised

	1979	1980	1981	1982	1983 F
			$ Bil.		
Previously published values					
Realized gross income	145.7	154.9	161.2	164.6	161 to 165
Inventory change	5.6	-4.3	5.5	0.2	-1 to -4
Farm production expenses	119.0	130.5	141.6	144.4	139 to 143
Net farm income	32.3	20.1	25.1	20.4	18 to 22
Revised values					
Realized gross income	145.4	155.5	159.4	164.0	182 to 166
Inventory change	4.9	-5.3	7.6	-1.9	-1 to -4
Farm production expenses	118.1	128.6	137.0	140.1	134 to 138
Net farm income	32.3	21.5	30.1	22.1	25 to 29

F = Forecast.

About half the adjustment this year came from revised data for the 1980 and 1981 Farm Production Expenditures Surveys. These data, revised because of an incorrect formula,[1] are instrumental in developing the estimates of farm production expenses. Expense items affected most by the revised data include hired labor, fuels, electricity, depreciation, and miscellaneous expenses. Most individual categories did not change greatly, but the aggregate impact was close to $0.4 billion in 1980 and $2.0 billion in 1981. The impact on 1981 expenses was larger because of the cumulative effect of changes in capital expenditures on depreciation and in net rent to NOLL.

As a result of these changes, net farm income in 1980 was revised upward by 7 percent to $21.5 billion, while net income in 1981 rose 20 percent to $30.1 billion—the third highest nominal value on record (1973 was the highest at $33.4 billion). Some of the revisions in 1981 data were based on typical additions of new and revised data (such as crop marketing patterns) that were not available when the initial estimate was made. [*Gary Lucier (202) 447-4192 and Sandra Suddendorf (202) 447-8342*]

[1]The Farm Production Expenditure data are derived from annual sample surveys of nearly 10,000 farmers and ranchers. Because the sample includes less than 1 percent of the nearly 2.4 million U.S. farms, sample data must be multiplied by expansion factors to reach an estimate of expenditures for all farmers. Some of the expansion factors used initially were too large, leading to an overstatement of expenses.

Early each summer, detailed farm income estimates for the previous year are completed, and statistics for the 3 preceding years are revised to reflect the most recent data available on income and expenses.

One of the major sources of new information is the Farm Production Expenditures Survey,[2] which is conducted each winter to collect data from farmers on their production expenses during the previous calendar year. Although some price information is available on inputs during the year, actual quantities used by farmers are generally not known. As a result, total production expenditures for the previous year remain preliminary until the expenditure survey data become available around midyear.

New and revised data are also available for 1981 on prices received by farmers, production and disposition of crop and livestock products, and commodity marketing patterns.[3]

Another important source of information this year is the 1979 Farm Finance Survey, released in July 1982 by the Census Bureau as follow-up to the 1978 Census of Agriculture. This survey, the first since 1970, provided new information that affected the estimates of income and expense items such as interest, net rental charges, capital consumption, and the gross rental value of farm dwellings.

[2]The Farm Production Expenditures report for 1982 was released by USDA's Crop Reporting Board on July 20.

[3]Crop marketings during calendar 1982 include percentages of the 1981 crop as well as the 1982 crop marketed in calendar 1982. The percentages of the crop marketed in 1982 was determined using final figures for each month provided by USDA's Crop Reporting Board. Since final estimates of monthly marketings for the 1982 crop will not be available until December 1983, 1982 cash receipts could be revised next year.

Photo courtesy of FAO

World Agriculture and Trade

REGIONAL UPDATES

China Posts Record Crops For 1982

Record harvests of wheat, rice, cotton, oilseeds, and sugarcane boosted China's overall farm production 10.9 percent in 1982—the largest annual gain in nearly a decade. Wheat output reached 68.4 million metric tons, up 15 percent from 1981. Rice production rose 12 percent to 161 million tons, and the cotton crop climbed 21 percent to 3.6 million. Meanwhile, meat output rose 7 percent to 13.5 million tons, with pork leading the way.

In 1983, the wheat crop hit another record, and prospects for larger coarse grain production are good. Rice output may drop substantially, however, assuming that last year's exceptional weather is not repeated. The rapeseed area is down by more than 10 percent, and the area planted to cotton and tobacco is also projected lower. For meat, the Government will continue to stress increasing output per animal, rather than boosting inventories.

After totaling $1.8 billion in fiscal 1982, U.S. agricultural exports to China will fall below $800 million this year. The U.S. share of the Chinese wheat market has fallen sharply, but U.S. corn shipments are up. Sales of U.S. cotton and oilseeds so far this year are negligible. The agreement on textile trade just reached with China removes a major irritant to U.S.-China trade and should improve the commercial climate in the coming year, contributing to greater U.S exports to China in 1984. The main potential impact is on wheat sales; no recovery of cotton or soybean sales is anticipated.

USSR Grain Crop Forecast Up in 1983/84

In 1982, for the second consecutive year, the Soviets have failed to report their grain production. USDA estimates 1982/83 output at 180 million tons, an increase of roughly 13 percent from 1982, but still far below trend for the fourth straight year. USDA's estimate of 1983/84 Soviet output is 200 million tons, suggesting a continued need for substantial grain imports. However, the desire to limit hard-currency expenditures may keep Soviet imports below levels needed to rebuild depleted stocks.

As of June, the USSR's cattle, hog, and poultry numbers were record large. During January-May, the socialized sector's meat, milk, and egg production showed gains of 7, 12, and 6 percent, respectively, from a year earlier. Meat output this year is expected to surpass last year's 15.2 million tons, approaching 15.9 million. Milk output might exceed the planned target of 94 million tons.

U.S. agricultural exports to the Soviets totaled nearly $1.9 billion in 1982—up 11 percent—with wheat and corn constituting 88 percent of this value. U.S. sales may fall to $1.2 billion in fiscal 1983. For the next 3 years, USSR grain imports from all sources could average about 30 million tons annually, with economic and political considerations determining the U.S. market share.

Prospects for U.S. grain sales to the Soviet Union have increased from the 1982/83 level of 6.2 million tons with the agreement in principle on a new long-term pact. The proposed 5-year agreement, to be signed in August, requires annual Soviet purchases of 8 million tons of grain (split into approximately equal shares of wheat and corn). In addition, the Soviets agreed to buy either 1) another one million tons of wheat and/or corn, or 2) 500,000 tons of soybeans and/or soybean meal. The Soviets may purchase an additional 3 million tons of grain without government-to-government consultation.

Eastern Europe's Grain Output To Decline in 1983/84

In 1982, Eastern Europe's total grain production was a record 105.7 million tons, up 11.5 million from the year before. As a result, grain imports fell for the second year in a row, to around 9 million tons. Expanded soybean production compensated for lower sunflowerseed and rapeseed output, resulting in 4 million tons of oilseeds. Meat production also fell for the second straight year, declining 3 percent; higher beef output only partly offset a sharp drop in poultry and pork, leaving meat supplies smaller than in 1981.

Grain production is expected to decline in 1983/84, while oilseed output may stay at the 1982 level. No expansion in livestock production is in prospect—even with the excellent grain supplies of 1982/83—because livestock inventories were smaller at the beginning of the year.

U.S. farm exports to the region are estimated at $816 million for fiscal 1983, 16 percent below the previous year. Declines are forecast for grains, while exports of soybeans, vegetable oil, and cotton may increase some because of Commodity Credit Corporation guarantees to Yugoslavia and Hungary totaling $277 million.

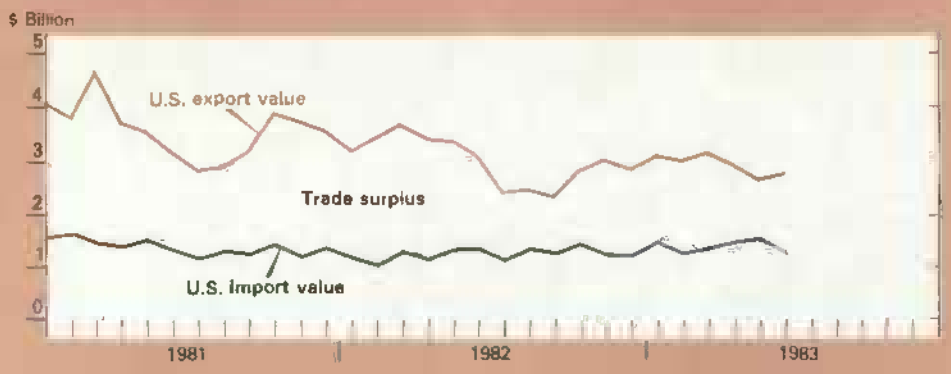
Output Rises In Middle East And North Africa

Agricultural production in the Middle East rose almost 3 percent in 1982. Wheat output reached nearly 23 million tons, boosted by record production in Turkey and higher output in Iran. Despite a record barley crop in Turkey, regional output of this crop dipped 500,000 tons to 8.7 million, largely because of a sharply smaller harvest in Syria. Meat production, at 1.7 million tons, was 200,000 below the 1980 record. In 1983, grain output is expected to expand slightly from 1982, as gains in Iran and Iraq may outweigh a smaller wheat crop in Turkey.

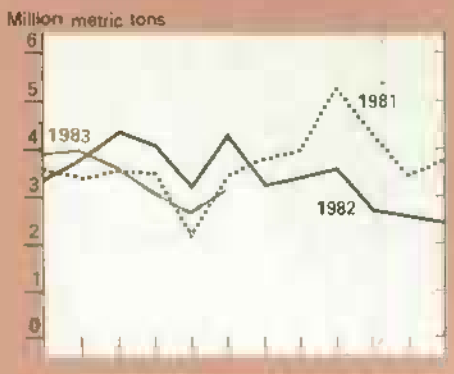
Wheat and barley production in North Africa has plunged 38 percent from 1982, the result of drought in Morocco, Algeria, and Tunisia this spring. Thus, these three countries are expected to import 7.4 million tons of grain during

U.S. Agricultural Trade Indicators

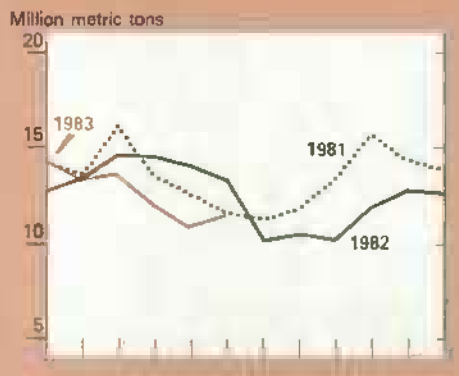
U.S. agricultural trade balance



U.S. wheat exports

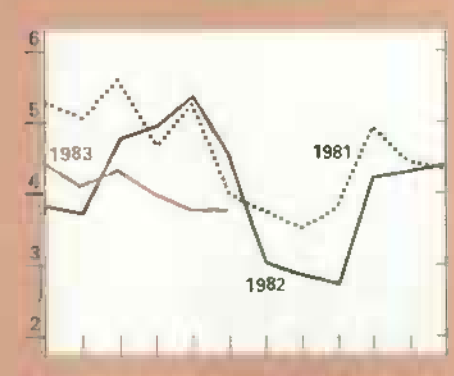


Export volume

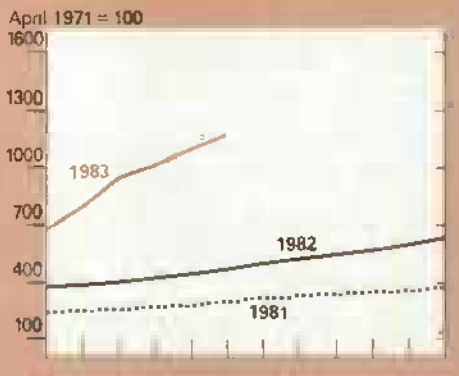


Export prices

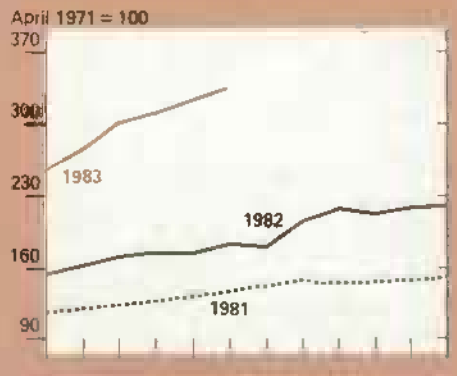
U.S. corn exports



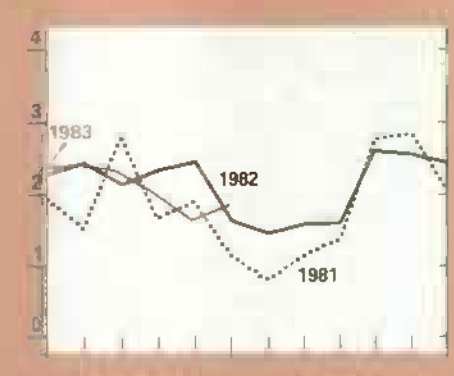
Wheat exchange rate*



Corn exchange rate*



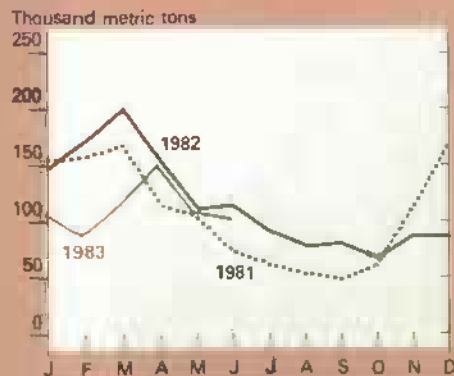
U.S. soybean exports



Soybeans exchange rate*

Cotton exchange rate*

U.S. cotton exports



*Foreign currency value of U.S. dollar, weighted by relative size of agricultural trade with the United States. An increasing value indicates that dollar has appreciated against the basket of currencies represented in that particular commodity market.

1983/84, 40 percent more than the previous year. Diminished water supplies for irrigation may hurt other Moroccan crops, including citrus and sugar beets.

U.S. agricultural exports to North Africa and the Middle East declined from $3.2 to $2.6 billion in 1982; however, they may rise by $1 billion in 1983, with two-thirds of the increase going to Egypt and Iraq.

Sub-Saharan Africa Faces Food Shortages

Sub-Saharan Africa is the only region where per-capita food production has been declining. Here, the increased requirements for food imports in recent years, combined with the soaring cost of imported oil through 1982, have pushed several countries close to bankruptcy.

The value of U.S. agricultural exports to the region declined nearly 21 percent in 1982. The value of wheat and flour exports dropped 15 percent, while the volume declined 9 percent. Rice exports fell 17 percent to $312 million, though volume was up 10 percent. The sharpest volume decline was for corn exports, which dropped nearly half to 360,000 tons—mainly because of lower shipments to Kenya, Somalia, Tanzania, and Ghana.

In southern Africa, the worst drought of the century has severely reduced both crop and livestock production this year. Corn output declined sharply in all countries except Malawi and Zambia, and most will need food aid. American food aid has increased in response. South Africa, the region's dominant corn producer and usually the world's third-largest exporter, will virtually cease exports and could import about 2.5 million tons of corn in 1983/84. U.S. grain and oilseed exports to South Africa are rising, but other countries of the region are unlikely to make large commercial purchases.

Australia Recovers from Drought

Widespread rains during recent months appear to have broken the drought in eastern and southern Australia. Farmers have sharply expanded grain plantings in an attempt to improve their cash flow and provide feed for livestock. Thus, production is likely to rebound in 1983, leading to heavy grain exports through 1984. Improved pasture conditions are benefiting the livestock industry. Nevertheless, a very small calf crop is foreseen in 1983, and cattle numbers may decline further. Because of the reduced herd, 1983 beef and veal production could fall a fifth. Producers are expected to withhold sheep for herd rebuilding, so mutton and lamb production may be down around 15 percent this year.

Western Europe's Output To Decline

Grain production in Western Europe rose 8 percent last year to 163 million tons. Record yields in the European Community (EC) produced a record 131-million-ton harvest. However, a wet, cold spring this year could diminish the 1983 harvest.

Encouraged by high EC price supports, rapeseed production has more than doubled since 1979, reaching 2.7 million tons in 1982. Spain's bumper sunflower crop of 650,000 tons pushed Western Europe's total 61 percent above 1981. Output of both these oilseeds should continue to rise in 1983.

Sugar beet production declined significantly from the bumper 1981 crop, and output will likely be even smaller this year. Cotton output, down sharply in Spain, may recover somewhat in 1983 as Greece, the most significant producer, plants more cotton because of a January 1983 increase in the EC support price.

Except for beef, livestock production was up in 1982. This year, gains are in prospect for all livestock products except poultry meat. Milk production rose 3 percent to a record last year, and a comparable increase is expected this year—boosting surplus stocks of butter and nonfat dry milk.

U.S. agricultural exports to Western Europe declined 7 percent in 1982 to $11.05 billion, and they will likely slip further in 1983. U.S. grain exports to the region could fall because EC stocks are abundant and the Spanish crop will improve after several years of drought.

World Agricultural Output Up Over 2 Percent in 1982

	1978	1979	1980	1981	1982	Growth[1]
			1969-71 = 100			
Developed countries	116	120	118	123	125	2.0
United States	118	124	117	131	131	2.6
Canada	119	115	118	128	135	3.4
Japan	105	105	95	96	98	-.3
South Africa	133	128	135	153	135	3.2
Oceania	122	116	107	115	108	.8
Western Europe	115	119	124	121	125	1.9
Developing countries	129	128	132	138	138	3.0
South and Central America	134	138	141	150	148	3.6
Other East Asia	143	142	146	153	157	3.9
South Asia	124	118	121	130	126	2.4
Middle East	141	139	142	142	147	3.2
Other Africa	112	113	117	117	121	1.7
Centrally planned countries	126	126	123	124	130	1.4
USSR	123	115	112	109	115	.2
Eastern Europe	126	124	121	124	127	.9
China	131	143	142	148	158	3.6
World	123	124	123	127	130	2.0

[1] Annual compound growth rate, 1973-82.

Canada's Wheat Crop Could Hit Record

After hitting a record 27.6 million tons in 1982, Canadian wheat production may approach 28 million in 1983/84. By contrast, coarse grain output could fall 4 million tons from 1982's 26.6 million, but stocks will still be ample. Total meat and poultry production will rise only slightly in 1983.

U.S. agricultural exports to Canada may fall slightly because Canada is utilizing more of its domestic coarse grains and oilseeds. Meanwhile, U.S. imports of Canadian beef and veal were up 25 percent from a year earlier through June.

Latin American Output Up in 1983

Mexico's farm output could grow 4 percent this year, following 1982's 5-percent drop. With normal summer rainfall, yields of corn, dry beans, and sorghum will be far above 1982's drought-reduced levels. Livestock production, however, is expected to decline after rising 7 percent last year.

Brazilian agricultural production could rise 4 percent from 1982's drought-stricken outturn. Soybean production may be between 14 and 15 million tons, up 10 to 15 percent. The coffee crop will recover to about 1.7 million tons, up 63 percent. Livestock output may rise 4 percent on top of last year's 7-percent gain.

In Argentina, agricultural output could increase 12 percent, mainly because of much larger grain production. Total grain output is forecast at a record 32.2 million tons, up 20 percent from 1981/82. The wheat crop may be a record 14.5 million tons, while coarse grains are forecast at 17.4 million, down 5 percent from 1982. Soybean production could be 3.5 million tons, off 15 percent from last year's 4.1 million. Meanwhile, beef production will decline for the second consecutive year.

U.S. agricultural exports to the region are expected to decline 6 percent from last year to $4.6 billion. Wheat shipments could slip from $1.4 to $1.2 billion, and exports of oilseeds and products may fall to $944 million; however, shipments of feed grains may jump to $1.1 billion from $489 million in fiscal 1982.

South Asian Imports May Decline In Fiscal 1984

Following record output in 1981/82 (July/June), South Asian grain production fell an estimated 5.6 percent in 1982/83; drought-induced declines in the fall 1982 rice and coarse grain harvests more than offset higher wheat production. Grain imports, principally of wheat, grew significantly in 1982/83. Regional grain production may rise 10 percent in 1983/84, accompanied by an 8-percent recovery in consumption. As a result, imports are projected to fall to 5.1 million tons, including 4.3 million of wheat.

During 1981/82, record or near-record oilseed harvests led to lower vegetable oil imports in most of the region, particularly India. In 1982/83, edible oil imports should rebound to a record 2 million tons, primarily because of poor weather in India. Regional oilseed production is projected near the 1981/82 record next season, which should hold 1983/84 vegetable oil imports near this year's level. Cotton production is projected at a record of nearly 11 million bales.

Excellent sugar production in 1981/82 and 1982/83 has built huge regional stocks, particularly in India, and raised sugar exports. In coming years, limited export opportunities and weak domestic prices may diminish the region's sugar output.

U.S. farm exports to South Asia are expected to jump to a record $1.35 billion in fiscal 1983—nearly double last year's—primarily because of larger wheat purchases following the poor 1982/83 grain harvest. However, a recovery in food grain production in 1983/84 will probably reduce U.S. exports to the region in fiscal 1984.

East Asian Output Changes Little

In 1982, rice production grew slightly throughout the region. Production of meat, eggs, and milk increased in all countries except Hong Kong. Nevertheless, East Asia remained one of the world's largest net food-importing regions. Agricultural trade increased in volume but decreased in value because of low commodity prices. Japan remained the single largest market for U.S. farm goods, and the region as a whole took 22.8 percent of all U.S. agricultural shipments by value in fiscal 1982.

This year's grain production may change little from 1982. As a result, rice stocks will decline further because consumption will still exceed production. This could reduce rice exports from Japan and Taiwan and lead to new South Korean purchases in 1984 and 1985. Production of all livestock products is expected to increase in 1983.

U.S. agricultural exports to East Asia are expected to grow 3 percent in fiscal 1983, with feed grains leading the increase. Imports of U.S. beef and poultry products and of live cattle will also rise.

Southeast Asian Output Rising

Agricultural output made strong gains last year in Burma, Malaysia, and Vietnam, supplementing marginal increases in Indonesia and the Philippines, countries whose output contributes substantially to the regional total. Rice constitutes 41 percent of the value of the region's food production, and in 1982 rice output rose 2 percent to a record 60.8 million tons—primarily because of bumper harvests in Indonesia, Vietnam, and Burma. Vegetable oil output continued its steady climb, and sugar rebounded from 1981's low level; however, the region's coarse grain crops declined.

Agricultural output may grow 2 to 4 percent in 1983. The spring rice harvest in Malaysia was larger than the drought-reduced crop of a year ago, but drought in late 1982 could diminish Indonesia's 1983 harvest. Increased palm oil production in Malaysia and Indonesia should push the region's vegetable oil output to another record.

U.S. agricultural exports to Southeast Asia rose to over $1.2 billion in fiscal 1982. They could grow slightly in fiscal 1983, with increases anticipated for wheat, feed grains, and soybeans. Exports of U.S. cotton and tobacco are forecast down, however. [*Cecil Davison (202) 447-8054*]

General Economy

The economic recovery continues to be stronger than forecast, although aggregate demand at the farm level has yet to increase significantly. With the recovery spreading beyond the leading edge of housing and consumer durables, however, signs of somewhat stronger farm-level demand should appear before yearend.

Real GNP is now forecast to grow at an annual rate of 5 to 6 percent during the second half of 1983, with growth slowing to 4 to 5 percent during 1984. Similarly, growth in real disposable income per capita is forecast at an annual rate of 4 to 5 percent for the remainder of 1983 and at 3 to 4 percent next year. Recovery at this rate would leave average unemployment at about 10 percent for 1983 and about 9 percent for 1984.

Food Spending Also Rising

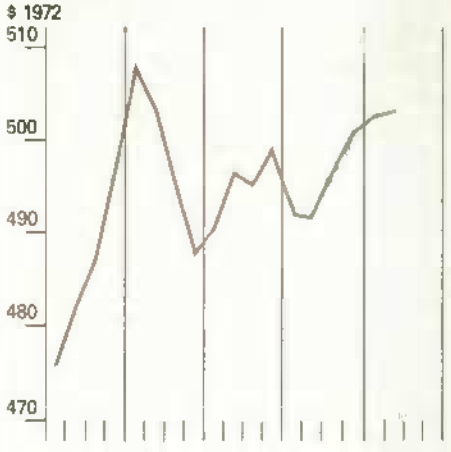
Early stages of an economic recovery are typically characterized by a rebuilding of business inventories and strong purchases of consumer durable goods and housing. Spending on nondurable goods tends to be less income-sensitive.

For food and beverage expenditures, aggregate retail demand tends to increase only half to two-thirds as fast as increases in disposable income. Within this category of consumption, spending for food away-from-home is more income-sensitive than food-at-home, so that while overall spending may increase, actual farm-level demand for basic agricultural products rises only modestly early in a recovery.

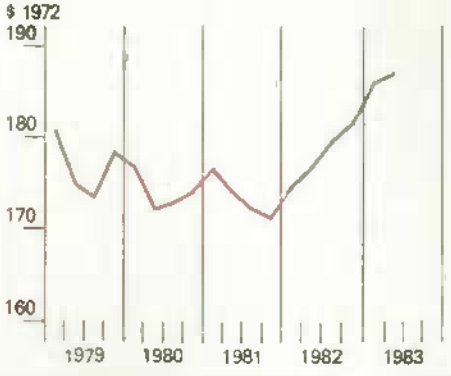
In the first half of 1983, higher incomes and shifts in spending from other budget items supported an increase in per-capita expenditures for food-away-from home (seasonally adjusted) from the previous 6 months, despite rising prices. In the second quarter, real per-capita expenditures (seasonally adjusted at annual rates) on food at home were $11 above a year earlier. Away from home expenditures were about $10 higher. At home spending grew mainly in the second half of 1982—before slowing considerably in the first half of 1983. But most of the growth in away-from-home spending came in the first quarter of 1983, as the recovery began.

In the absence of price changes, the forecast increase in income for the rest of 1983 should raise per-capita expenditures on food at home at a 2-percent rate and those on food-away-from-home at a 4-percent rate. If this income growth is concentrated in low-income groups, the effects on food expenditures might be slightly stronger. Food prices are expected to remain stable for the rest of 1983, as most of the projected 2- to 4-percent increase in food prices has already occurred.

Spending Moving Upward for Food-At-Home*. . .



. . .and Food-Away-From-Home*



*Per-capita consumer expenditures, at seasonally adjusted annual rates.

Fed Tightening, Higher Interest Rates Could Dampen Recovery Somewhat

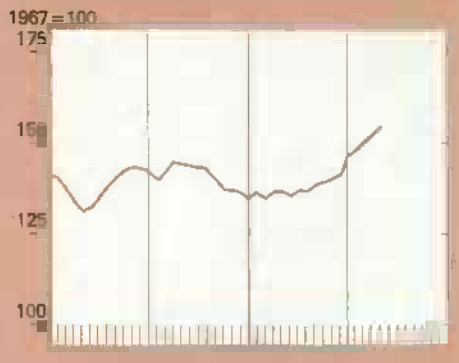
So far, the recovery has been developing in line with the standard scenario. After the Fed began to expand the supply of money and credit last summer, interest rates fell. The lower interest rates then stimulated demand for housing and consumer durables, eventually turning the entire economy around. A rebuilding of business inventories—based on expectations of continued increases in final sales—is further adding to industrial recovery.

Unfortunately, this standard robust recovery scenario also carries the seeds of higher future inflation, as the monetary-induced increase in nominal demand will eventually show up as a higher general price level—though not until the excess slack in capacity use is taken up. In order to avoid a replay of previous recoveries that led to higher inflation, the Fed has announced a policy—begun in May—of gradually restraining growth in money and credit. This has raised interest rates somewhat since May, and should eventually slow the recovery to a less inflationary pace.

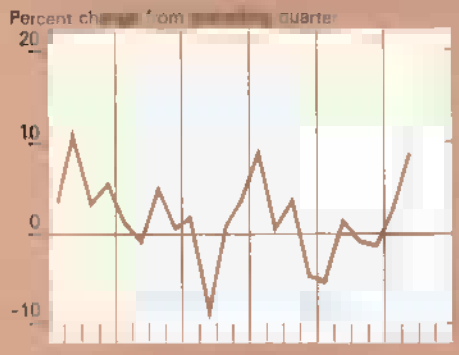
Over the next few years, the Fed faces the difficult task of providing sufficient money and credit to keep the recovery going at a modest pace, but not so much as to ignite an inflationary boom. The Fed's task is further complicated by the large Federal deficits forecast for the future, as these will eventually compete with increased private demand for credit. The resultant upward pressure on real interest rates will put the Fed on a tightrope policy path, with high inflation on one side and an aborted recovery on the other.

General Economic Indicators

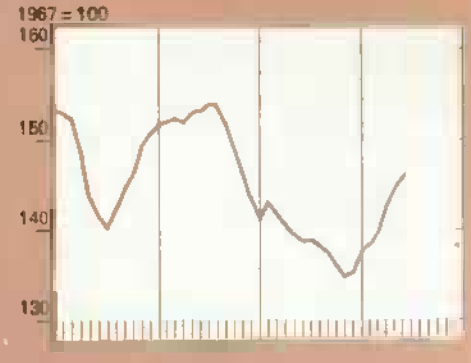
Composite leading economic indicators



Gross national product[1]

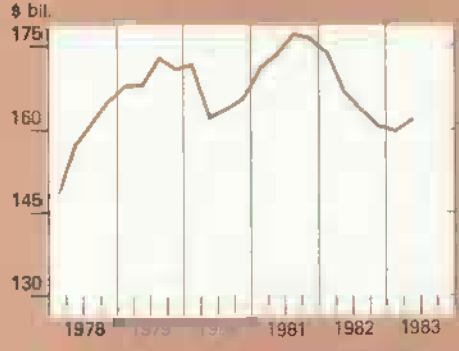


Industrial production

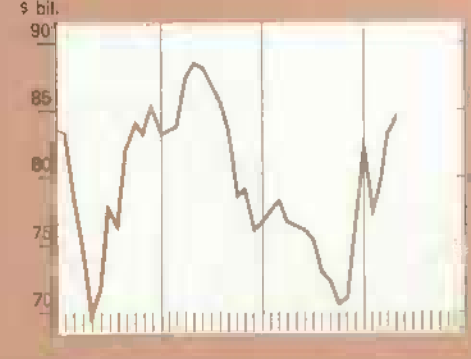


Disposable income and consumption expenditures[2]

Nonresidential fixed investment[2]

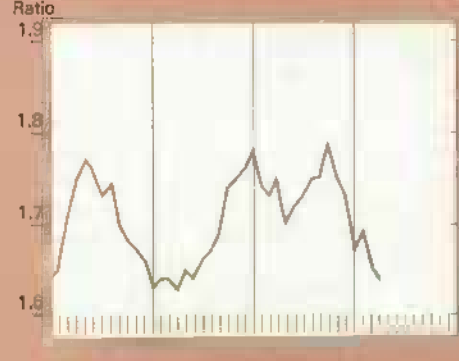


Manufacturers' durable goods orders[3]



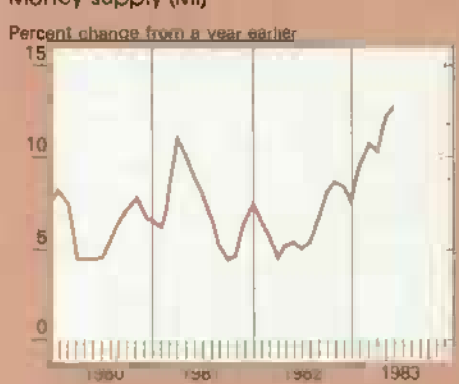
Consumer price index

Inventory/sales[4]



Unemployment rate[5]

Money supply (M1)



3-month treasury bill rate

Savings rate[6]

[1]Percent change from previous quarter in 1972 dollars. Seasonally adjusted annual rates. [2]Billions of 1972 dollars, seasonally adjusted at annual rates. [3]Nominal dollars. [4]Manufacturing and trade, seasonally adjusted; based on 1972 dollars. [5]Seasonally adjusted. [6]Calculated from disposition of personal income in 1972 dollars, seasonally adjusted at annual rates. Sources are U.S. Dept. of Commerce, U.S. Dept. of Labor, and the Board of Governors of the Federal Reserve System.

It is uncertain how high interest rates will have to rise in order to slow money growth to a noninflationary pace. Thus, important sectors to watch are the interest-sensitive housing and consumer durables, where recovery is expected to slow with higher interest rates. Current forecasts indicate general inflation of 4 to 5 percent in 1983, rising about one point in 1984. Similarly, the prime interest rate, forecast to average 10 to 11 percent this year, should rise to 11 to 12 percent in 1984; such a rise would dampen the recovery somewhat, but would not cause renewed recession.

U.S. Recovery To Spur Foreign Growth, But with a Lag

Whereas the economic recovery in the United States shows every indication of being robust, much of the world must still be viewed as on the shaky side of growth. However, the foundation of growth being laid in the largest industrial economies should eventually lead the other industrialized and developing nations into the path of real economic recovery through 1984. Meanwhile, this lag in international recovery implies a delayed improvement in farm export demand.

West Germany, Japan, Canada, and the United Kingdom have all shown consistent and reliable signs of economic recovery. Most important, all have reported substantial gains in real gross national product for the first quarter of 1983. Consumer spending has been rising, as well as production. Inventory liquidation has ended, and net inventory investment has begun to increase in all four countries. In addition, the continued rise in stock prices (including a record high for West Germany) should aid in providing new investment opportunities.

The increase in real incomes in West Germany, Japan, Canada, the United Kingdom, and the United States bodes well for an export-led recovery in the rest of the industrialized world. Italy and the Netherlands already show signs of improvement. Current estimates for the industrialized world as a whole show real growth of 1.3 percent for the first half of 1983, 2.7 percent for the second half, and 3.2 percent in 1984.

The Developing World Should Benefit As Well

Lower income countries were particularly hard hit by the recession in the industrial world. The robust real growth rates of 6 and 5 percent, respectively, in the early and late 1970's gave way to growth of 2.5 percent in 1981 and 1.5 percent in 1982, meaning declines in per-capita real incomes. A combination of lower export earnings (mainly the result of sharply lower world prices for raw products, plus stagnant trade volume), higher debt-service obligations, and declining terms of trade have all served to constrain economic growth in these countries. However, the non-OPEC developing nations have been able to reduce their current-account deficits since 1981, a promising development that should reduce borrowing needs.

The recovery in the West will almost certainly be the fuel to ignite the Third World's economies. Combined with an apparent start of recovery in commodity prices, the rising demand for raw materials and remanufactured goods should boost the value of exports by non-OPEC developing countries 6.2 percent in 1983 from 1982. While overall economic growth will only be around 2 percent this year, the forecast for 1984 is a much rosier 5.3 percent.

Recovery Endangered By Protectionism, International Debt

Despite a generally positive outlook, circumstances could arise that would forestall recovery. For example, a significant move towards protectionist policies would aggravate the international debt situation, with negative long-term effects. Lower-income countries, heavily dependent on trade for economic growth, would be the most severely affected in the short run. However, much of the industrial world's income growth during the 1970's was due to expanding world trade, so any policies that hamper trade will negatively affect these nations too. [*Paul Prentice (202) 447-2317, David Stallings (202) 447-8054, and John Craven (202) 447-7330*]

Storage and Transportation

Surplus Storage Capacity Likely

A surplus of storage capacity is anticipated for holding this year's harvest of grain and oilseeds. Although more available storage was in use than a year ago on June 1, this year's crops are expected to be substantially smaller—thus easing the storage outlook from the relatively tight situation of 1982.

On June 1, 1983, commercial storage capacity was about 46 percent full, up from about 33 percent last year. Off-farm stocks of grain and soybeans totaled 3.6 billion bushels on June 1—up 52 percent from a year ago; however, commercial capacity had risen to 7.9 billion bushels on January 1, 1983, from roughly 7.3 billion last year. On-farm storage capacity on June 1 was about 43 percent filled, with stocks totaling 4.8 billion bushels and capacity amounting to 11.3 billion.

The total U.S. harvest of wheat and coarse grains is now forecast at 260.7 million metric tons, nearly 24 percent below the 1982 total. The drop in anticipated production stems from heavy participation by farmers in the 1983 acreage-limitation programs, including the payment-in-kind program. On

Storage Situation on June 1

State/Region	Onfarm capacity[1]	Percent used[2]	Off-farm capacity[2]	Percent used[1]
	Mil. bu.		Mil. bu.	
California	93.0	5	106.4	11
Illinois	1,160.5	38	954.4	45
Indiana	512.7	38	314.8	49
Iowa	1,524.2	65	874.5	61
Kansas	379.4	32	859.0	48
Michigan	223.2	64	127.0	46
Minnesota	1,838.8	38	438.1	54
Missouri	439.9	22	244.6	35
Nebraska	858.2	65	666.1	67
Ohio	258.5	58	266.8	38
Texas	303.4	46	820.4	52
Wisconsin	464.0	49	182.0	41
Delta[3]	278.5	8	397.6	13
N. Plains[4]	1,578.1	48	320.9	45
Pacific[5]	279.2	25	355.0	36
Subtotal	10,192.4	43	6,927.6	48
U.S. Total	11,303.7	43	7,863.7	46

[1] As of June 1, 1983. [2] As of Jan. 1, 1983. [3] Arkansas, Louisiana, and Mississippi. [4] Montana, North Dakota, South Dakota, and Wyoming. [5] Idaho, Oregon, and Washington.

June 1, available onfarm storage could hold over half the forecast harvest, with sufficient off-farm storage for the rest.

Current stocks should be depleted faster than last year, mainly because meat production is rising. Red meat and poultry production is now forecast to be nearly 3 percent above 1982, indicating larger consumption of feed grains. Also, exports of coarse grains and soybeans in 1983/84 are now forecast at 96.3 million metric tons, 4 percent larger than last year.

Although wheat stocks stood at 1.5 billion bushels on June 1—32 percent above last year—storage is likely to be sufficient for the winter wheat harvest. In Texas, harvest is completed with production estimated at 156 million bushels, and on June 1 unutilized onfarm storage capacity was more than 200 million bushels. Kansas, the nation's largest producer of winter wheat with (446 million bushels anticipated), had 264 million bushels of unutilized onfarm storage and 564 million of off-farm storage, more than enough to handle the harvest.

As usual, storage capacity may be insufficient to meet local needs in a few areas, but the tight storage situation of 1982 is unlikely to be repeated.

Transportation Capacity Also in Surplus

The U.S. transportation system will have sufficient capacity for harvest needs. The barge industry, which has been carrying nearly 40 million bushels of grain and soybeans a week, estimates that 25 percent of its fleet is idle. As result, barge rates will likely continue low. At the moment, some rates are down as much as 50 percent from 1981, a continuing indicator of surplus capacity. By yearend 1982, the number of covered-hopper barges had risen to over 12,000—up 677 percent since 1973.

A similar situation prevails for the railroads. Shipments of grain and oilseeds by rail averaged nearly 24,000 cars a week during the first half of 1983, down from 25,000 during 1982 and 26,000 the year before. Railroads could readily accommodate a demand increase of at least 22 million bushels—or 6,000 cars—per week. Industry sources report that 10 to 15 percent of the railroad-owned covered-hopper fleet and a like proportion of the private fleet is surplus to current needs. At least one railroad has attempted to lease its covered-hopper cars for use as storage. Meanwhile, the long uptrend in the jumbo covered-hopper fleet ended in February 1983, and the fleet has now decreased from a peak of roughly 240,000 cars to 231,000. However, the June 1983 inventory is only 1,000 cars fewer than a year earlier.

Rail Rates for Grain To Continue Unchanged

The Cost Recovery Index (CRI) maintained by the Interstate Commerce Commission shows that rail costs during the third quarter of 1983 are likely to average 2 percent above the second quarter, while remaining below first-quarter costs. U.S. railroads did not seek a general rate increase under provisions of the Staggers Rail Act of 1980, which permits quarterly percentage increases equal to those shown in the CRI.

Slowed demand is also keeping rail rates flat. In the first half of 1983, total rail traffic has been nearly 4 percent below the same period of 1982, with grain traffic averaging 5 percent less. These factors, together with the surplus capacity of the rail and barge industries, suggest that competitive pressures will hold rail rates for grain nearly level for the remainder of the year. [*T.Q. Hutchinson (202) 447-8707*]

Export Inspections Down for All Ports But Pacific

	Great Lakes	Atlantic	Gulf	Pacific	Total
			1,000 bu.[1]		
1979	41,979	48,255	230,236	57,114	417,842
1980	40,258	45,218	244,994	76,970	407,440
1981	32,587	41,924	252,558	78,156	405,225
1982	24,206	49,974	255,790	50,904	380,874
1983[2]	21,982	47,960	241,788	57,697	369,427

[1] Average monthly inspections of grain for export. [2] Through May.

Statistical Indicators

Summary Data

Key statistical indicators of the food and fiber sector

	1982				1983				
	II	III	IV	Annual	I	II	III F	IV F	Annual F
Prices received by farmers (1977=100)	137	135	128	133	131	136	133	129	132
Livestock and products	149	147	140	145	145	143	142	137	142
Crops	124	122	115	121	118	127	123	121	122
Prices paid by farmers (1977=100)									
prod. items	150	150	148	149	151	154	153	153	153
Commodities and services, int., taxes, and wages	155	157	156	156	158	160	160	160	159
Cash receipts[1] ($ bil.)*	142.0	142.3	146.3	144.6	142	141	136-140	123-127	135-139
Livestock ($ bil.)	71.0	70.2	68.9	70.2	72	71	67-71	67-71	68-72
Crops ($ bil.)	71.0	72.1	77.4	74.4	70	70	64-68	58-62	65-69
Market basket (1967=100)									
Retail cost	267.3	269.1	265.6	266.4	267	271	272	270	268-275
Farm value	257.9	254.7	239.0	248.8	238	241	238	233	234-240
Spread	272.9	277.5	281.2	276.8	284	288	292	292	286-291
Farm value/retail cost (%)	36	35	33	35	33	33	32	32	32-35
Retail prices (1967=100)									
Food	285.7	287.8	286.6	285.7	289	292	295	295	291-297
At home	280.1	281.4	278.5	279.2	281	283	285	284	281-287
Away-from home	304.8	308.7	311.6	306.5	315	319	323	326	318-322
Agricultural exports ($ bil.)[2]	10.0	7.3	8.8	39.1	9.3	8.3	8.1	10.3	34.5
Agricultural imports ($ bil.)[2]	3.9	3.8	3.9	15.4	4.1	4.5	3.7	3.9	16.2
Livestock and Products									
Total livestock and products (1974=100)	112.2	112.5	112.9	111.7	110.3	115.5	116.6	115.3	114.4
Beef (mil. lb.)	5,363	5,730	5,818	22,366	5,525	5,549	6,000	5,800	22,874
Pork (mil. lb.)	3,550	3,240	3,638	14,121	3,483	3,726	3,575	4,200	14,984
Veal (mil. lb.)	99	107	110	423	103	99	105	105	407
Lamb and mutton (mil. lb.)	85	88	93	356	93	89	85	85	352
Red meats (mil. lb.)	9,097	9,165	9,659	37,266	9,204	9,463	9,760	10,190	38,617
Broilers (mil. lb.)	3,109	3,130	2,911	12,038	3,059	3,245	3,150	2,940	12,394
Turkeys (mil. lb.)	528	761	759	2,458	458	580	800	760	2,598
Total meats and poultry (mil. lb.)	12,734	13,056	13,329	51,762	12,714	13,288	13,710	13,790	53,609
Eggs (mil. dz.)	1,441	1,437	1,479	5,798	1,432	1,400	1,395	1,450	5,677
Milk (bil. lb.)	35.7	34.0	32.9	135.8	34.0	36.5	35.1	33.0	138.9
Choice steers, Omaha ($/cwt.)	70.46	64.19	58.87	64.22	61.52	67.04	62-65	61-65	62-65
Barrows and gilts, 7 markets ($/cwt.)	56.46	61.99	55.12	55.44	55.00	46.74	44-46	38-42	46-48
Broilers-wholesale, 9-city weighted avg. dressed (cts./lb.)	45.1	44.4	41.5	44.0	43.4	[3]46.5	[3]47-50	[3]42-46	–
Turkeys-wholesale, N.Y., 8-16 lb. hens, dressed (cts./lb.)	58.8	65.4	63.7	60.8	54.9	57.3	57-61	61-65	57-60
Eggs, N.Y. Gr. A large, (cts./dz.)	66.7	65.8	68.4	70.1	65.8	69.1	67-71	69-73	67-70
Milk, all at farm ($/cwt.)	13.30	13.37	13.87	13.60	13.73	13.33	13.30-13.50	13.80-14.20	13.50-13.70
Crop prices at the farm[4]									
Wheat ($/bu.)	3.57	3.33	3.47	3.53	3.60	3.68	–	–	3.50-3.70
Corn ($/bu.)	2.57	2.32	2.12	2.65	2.54	3.00	–	–	2.65-2.90
Soybeans ($/bu.)	6.19	5.60	5.29	5.57	5.68	6.01	–	–	5.75-7.25
Upland cotton (cts./lb.)	54.2	56.1	59.0	–	57.4	60.8	–	–	–

[1] Quarterly cash receipts are seasonally adjusted at annual rates. [2] Annual data are based on Oct.-Sept. fiscal years ending with the indicated year. [3] The 9-city price has been discontinued; starting with the second quarter 1983 the broiler price is the new 12-city average. [4] Quarterly prices are simple averages; annual prices are for marketing year beginning in year indicated. F = Forecast. Numbers may not add to totals due to rounding. *Seasonally adjusted at annual rates.

Farm income statistics

	1973 R	1974 R	1975 R	1976 R	1977 R	1978 R	1979 R	1980 R	1981 R	1982 R	1983 F
						$ Bil.					
Receipts											
Cash receipts:											
Crops[1]	41.1	51.1	45.8	49.0	48.6	53.7	63.2	72.7	73.1	74.4	65 to 69
Livestock	45.8	41.3	43.1	46.3	47.6	59.2	68.6	67.8	69.2	70.2	68 to 72
Total	86.9	92.4	88.9	95.4	96.2	112.9	131.8	140.5	142.3	144.6	135 to 139
Other cash income[2]	3.4	1.4	1.8	1.8	3.0	4.3	2.9	2.9	3.9	5.6	11 to 15
Total cash income	90.3	93.8	90.7	97.1	99.2	117.2	134.7	143.4	146.2	150.1	148 to 152
Nonmoney income[3]	5.3	6.1	6.5	7.3	8.4	9.2	10.7	12.1	13.3	13.9	14 to 16
Realized gross income	95.6	99.9	97.2	104.4	107.6	126.4	145.4	155.5	159.4	164.0	162 to 166
Value of inventory chg.	3.4	-1.6	3.4	-1.5	1.1	.8	4.9	-5.3	7.6	-1.9	-1 to -4
Total gross income	99.0	96.3	100.6	102.9	108.7	127.2	150.4	150.1	167.1	162.2	161 to 165
Expenses											
Cash expenses[4]	55.0	59.6	61.7	67.8	72.0	81.0	97.3	105.3	111.6	113.9	109 to 113
Total expenses	64.6	71.0	75.0	82.7	88.9	99.5	118.1	128.6	137.0	140.1	134 to 138
Income											
Net cash income	35.3	34.2	29.0	29.3	27.2	36.2	37.4	38.1	34.6	36.2	37 to 41
Realized net income[5]	31.0	28.9	22.2	21.7	18.7	26.8	27.3	26.8	22.4	23.9	26 to 30
Total net farm income	34.4	27.3	25.6	20.1	19.8	27.7	32.3	21.5	30.1	22.1	25 to 29
Deflated total net farm[6]	32.5	23.7	20.4	15.2	14.1	18.4	19.7	12.0	15.4	10.7	10 to 14
Off-farm income[7]	24.7	28.1	23.9	26.7	26.1	29.7	35.3	37.7	39.9	39.4	40 to 44

R = Revised. F = Forecast. [1] Includes net CCC loans. [2] Income from machine hire and custom work, farm recreational income, and direct government payments. [3] Imputed gross rental value of farm dwellings and value of home consumption. [4] Excludes depreciation of farm capital, perquisites to hired labor, and expenses associated with farm dwellings, and includes net rent to all landlords. [5] Excludes value if inventory change. [6] Deflated by the GNP implicit price deflator, 1972=100. [7] Reflects changes in farm definition in 1975 and 1977.

Cash receipts from farming

	1982								1983				
	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
Farm marketings and CCC loans[1]	10,027	9,768	10,528	10,822	12,145	14,997	16,174	14,760	14,204	10,476	9,775	10,104	9,307
Livestock and products	6,236	5,810	5,656	5,610	5,951	6,183	5,681	5,678	5,789	5,951	6,190	6,039	5,502
Meat animals	3,769	3,379	3,129	3,448	3,496	3,624	3,276	3,168	3,392	3,804	3,740	3,677	3,008
Dairy products	1,626	1,550	1,533	1,513	1,469	1,519	1,465	1,554	1,569	1,451	1,631	1,585	1,655
Poultry and eggs	757	801	804	776	821	816	849	875	726	626	735	685	757
Other	84	80	190	73	165	224	91	81	102	70	84	92	82
Crops	3,791	3,958	4,872	5,012	6,194	8,814	10,493	9,102	6,415	4,525	3,585	4,065	3,805
Food grains	475	1,126	1,611	1,365	1,384	1,159	1,153	774	1,003	595	395	699	615
Feed crops	838	886	898	896	1,180	1,572	2,430	2,894	3,253	1,519	1,252	978	994
Cotton (lint and seed)	49	21	-15	-20	47	634	1,115	1,161	745	307	-161	48	36
Tobacco	6	0	166	709	578	332	441	533	447	111	38	29	10
Oil-bearing crops	746	396	517	381	744	2,639	2,680	1,539	1,552	668	704	545	424
Vegetables and melons	720	639	607	685	912	959	606	523	468	517	514	693	756
Fruits and tree nuts	358	476	613	572	736	836	848	743	419	310	236	328	374
Other	597	414	475	424	613	683	1,220	935	528	498	627	745	596
Government payments	23	30	21	34	56	67	974	444	681	511	148	706	288
Total cash receipts[1]	10,050	9,798	10,549	10,856	12,201	15,064	17,148	15,224	14,885	10,987	9,923	10,810	9,595

[1] Receipts from loans represent value of loans minus value of redemptions during the month. [2] Cash receipts estimates reported in this issue for 1982 contain revisions due to a more complete accounting for CCC loans repaid, which has the effect of reducing sales.

Cash receipts[1] from farm marketings, by States, January-May

State	Livestock and Products		Crops[2]		Total[2]	
	1982	1983	1982	1983	1982	1983
	$Mil.					
North Atlantic						
Maine	96.2	96.7	91.0	66.9	187.2	163.6
New Hampshire	31.4	32.1	11.5	10.9	42.9	43.0
Vermont	152.9	158.9	11.3	12.1	164.2	171.1
Massachusetts	56.0	56.1	71.3	59.5	127.3	115.6
Rhode Island	5.9	5.8	7.4	7.3	13.3	13.1
Connecticut	78.4	79.3	65.6	51.9	144.0	131.2
New York	784.6	792.8	236.4	215.4	1,021.0	1,008.2
New Jersey	53.5	52.6	97.5	96.7	151.0	149.3
Pennsylvania	917.8	922.6	319.2	324.0	1,237.0	1,246.6
North Central						
Ohio	628.1	644.0	755.2	815.2	1,383.3	1,459.2
Indiana	685.4	695.9	872.6	959.2	1,557.9	1,655.1
Illinois	963.5	1,007.7	2,557.3	2,253.3	3,520.8	3,260.9
Michigan	484.8	490.1	550.8	542.5	1,035.5	1,032.6
Wisconsin	1,708.0	1,663.8	397.1	400.3	2,105.1	2,064.1
Minnesota	1,460.7	1,490.9	1,099.4	1,235.5	2,560.1	2,726.4
Iowa	2,477.8	2,603.2	2,143.9	2,051.8	4,621.7	4,655.0
Missouri	847.0	873.6	609.3	537.1	1,456.4	1,410.7
North Dakota	325.4	349.4	629.0	869.8	954.4	1,219.2
South Dakota	777.6	797.9	275.5	327.6	1,053.1	1,125.6
Nebraska	1,775.1	1,738.2	1,249.3	1,133.4	3,024.3	2,871.6
Kansas	1,832.4	1,842.6	755.2	692.9	2,587.6	2,535.5
Southern						
Delaware	118.5	105.5	24.6	25.9	143.1	131.4
Maryland	295.7	286.2	124.0	129.4	419.7	415.6
Virginia	398.0	397.9	131.5	129.0	529.5	526.9
West Virginia	71.6	71.1	15.9	18.2	87.5	89.4
North Carolina	648.9	643.0	365.5	348.6	1,014.5	991.6
South Carolina	167.7	167.0	127.4	144.3	295.2	311.3
Georgia	722.6	714.9	347.0	262.0	1,069.6	976.9
Florida	397.8	393.5	2,100.8	2,144.1	2,498.6	2,537.6
Kentucky	377.7	388.9	572.8	596.8	950.5	985.7
Tennessee	365.6	377.3	275.9	329.4	641.6	706.6
Alabama	541.0	513.4	220.7	221.1	761.7	734.5
Mississippi	378.9	361.2	335.9	308.6	714.8	669.9
Arkansas	657.4	616.4	422.7	193.3	1,080.1	809.8
Louisiana	199.6	194.6	349.1	293.2	548.7	487.8
Oklahoma	912.8	880.8	266.7	332.5	1,179.5	1,213.3
Texas	2,196.3	2,165.2	1,731.7	1,410.0	3,928.0	3,575.2
Western						
Montana	277.7	298.0	309.7	414.9	587.4	712.9
Idaho	339.4	342.2	416.1	352.7	755.5	694.9
Wyoming	159.6	160.6	27.9	26.6	187.4	187.2
Colorado	858.4	858.7	418.1	258.2	1,276.5	1,116.9
New Mexico	262.9	280.1	74.5	77.8	337.4	357.8
Arizona	349.1	337.9	493.8	334.4	842.9	672.3
Utah	177.3	178.2	44.4	39.2	221.7	217.5
Nevada	74.0	74.8	31.0	36.4	105.0	111.2
Washington	417.8	418.2	685.6	610.0	1,103.4	1,028.3
Oregon	237.1	236.0	316.3	284.6	553.4	520.6
California	1,651.1	1,582.2	2,703.9	2,243.0	4,355.0	3,825.2
Alaska	2.7	2.7	2.2	2.2	4.9	5.0
Hawaii	30.2	29.3	165.9	165.9	196.0	195.2
United States	29,429.8	29,470.2	25,907.5	24,395.7	55,337.3	53,865.9

[1] Estimates as of the first of current month. [2] Sales of farm products include receipts from loans reported minus value of redemptions during the period. Rounded data may not add.

Farm marketing indexes (physical volume)

	Annual			1982		1983				
	1980	1981	1982 p	May	Dec	Jan	Feb	Mar	Apr	May
	1977=100									
All commodities	111	111	120	124	131	147	122	104	110	114
Livestock and products	101	103	104	109	101	110	115	106	106	102
Crop	120	119	136	147	156	181	129	102	114	130

p = preliminary. Volume of marketing indexes reported in this issue for 1982 contains revisions due to a more complete accounting for CCC loans repaid, which has the effect of reducing sales.

Farm Prices: Received and Paid

Indexes of prices received and paid by farmers, U.S. average

	Annual			1982	1983					
	1980	1981	1982	July	Feb	Mar	Apr	May	June	July p
	1977=100									
Prices Received										
All farm products	134	139	133	137	132	134	136	137	134	131
All crops	125	134	121	125	118	121	127	129	126	123
Food grains	165	166	146	136	147	150	155	155	144	139
Feed grains and hay	132	141	120	122	127	131	142	147	146	147
Feed grains	135	145	120	123	126	133	143	148	148	150
Cotton	114	111	91	99	93	99	99	102	101	93
Tobacco	125	140	153	144	157	156	156	157	157	157
Oil-bearing crops	102	110	88	91	67	89	93	92	90	93
Fruit	124	130	175	204	129	120	123	126	121	105
Fresh market[1]	128	133	187	223	131	119	124	127	121	101
Commercial vegetables	113	136	127	125	125	142	150	141	139	120
Fresh market	110	135	120	115	120	141	154	141	139	114
Potatoes[2]	129	177	125	151	89	94	113	140	135	159
Livestock and products	144	143	145	147	146	146	145	144	141	139
Meat animals	156	150	155	162	158	159	158	155	150	146
Dairy products	135	142	140	136	142	140	139	137	136	136
Poultry and eggs	112	116	110	111	107	106	104	111	113	115
Prices paid										
Commodities and services, interest, taxes, and wage rates	138	150	156	157	158	159	159	160	160	160
Production items	138	148	149	151	151	152	153	154	154	152
Feed	123	134	122	123	124	125	131	134	132	132
Feeder livestock	177	164	164	168	170	175	172	166	162	154
Seed	118	138	141	140	141	141	141	141	141	141
Fertilizer	134	144	144	146	139	138	138	138	138	138
Agricultural chemicals	102	111	119	121	121	123	123	126	126	126
Fuels & energy	188	213	211	214	202	194	201	205	207	208
Farm & motor supplies	134	147	153	153	154	154	154	153	153	151
Autos & trucks	123	143	159	159	166	166	166	169	170	170
Tractors & self-propelled machinery	136	152	165	167	168	172	172	172	176	176
Other machinery	132	146	160	162	165	168	168	168	173	173
Building & fencing	128	134	135	135	138	138	139	138	139	139
Farm services & cash rent	125	137	143	143	148	148	148	148	148	148
Interest payable per acre on farm real estate debt	174	211	233	233	236	236	236	236	236	236
Taxes payable per acre on farm real estate	115	123	131	131	140	140	140	140	140	140
Wage rates (seasonally adjusted)	126	137	141	141	145	145	145	145	145	145
Production items, interest, taxes, and wage rates	139	151	154	155	157	157	158	159	159	158
Prices received (1910-14=100)	614	633	609	624	604	611	622	624	611	599
Prices paid, etc. (Parity index) (1910-14=100)	948	1,035	1,071	1,079	1,088	1,091	1,096	1,100	1,102	1,099
Parity ratio[3]	65	61	57	58	56	56	57	57	55	55

[1] Fresh market for noncitrus and fresh market and processing for citrus. [2] Includes sweetpotatoes and dry edible beans. [3] Ratio of index of prices received to index of prices paid, taxes, and wage rates. (1910-14=100). p = preliminary.

Prices received by farmers, U.S. average

	Annual*			1982	1983					
	1980	1981	1982	July	Feb	Mar	Apr	May	June	July p
Crops										
All wheat ($/bu.)	3.88	3.88	3.52	3.26	3.57	3.66	3.77	3.77	3.51	3.37
Rice, rough ($/cwt.)	11.07	11.94	8.33	8.25	8.26	7.99	8.23	8.23	7.88	7.78
Corn ($/bu.)	2.70	2.92	2.37	2.50	2.56	2.71	2.94	3.03	3.04	3.12
Sorghum ($/cwt.)	4.67	4.72	4.00	3.96	4.42	4.67	4.92	5.05	5.06	5.10
All hay, baled ($/ton)	67.01	67.67	69.18	66.40	74.60	70.50	75.30	83.30	75.90	72.00
Soybeans ($/bu.)	6.75	6.92	5.78	5.99	5.66	5.82	6.08	6.05	5.91	6.11
Cotton, Upland (cts./lb.)	69.0	67.1	55.3	59.9	56.4	59.9	59.7	61.7	61.1	56.5
Potatoes ($/cwt.)	4.82	6.95	5.10	6.48	3.68	3.88	4.82	6.10	5.72	6.91
Dry edible beans ($/cwt.)	24.83	28.59	16.82	15.90	11.90	12.30	13.40	15.50	15.60	18.10
Apples for fresh use (cts./lb.)	16.2	13.2	15.4	16.7	12.3	12.8	11.3	11.4	10.5	11.2
Pears for fresh use ($/ton)	313	264	235	–	315	333	326	336	324	–
Oranges, all uses ($/box)[1]	3.28	3.78	7.44	9.47	4.31	3.47	4.32	4.55	4.09	2.02
Grapefruit, all uses ($/box)[1]	2.74	3.68	2.20	3.27	1.28	1.49	1.86	1.66	1.33	1.75
Livestock										
Beef cattle ($/cwt.)	62.48	58.51	56.97	58.80	57.10	59.70	61.00	59.80	58.30	56.20
Calves ($/cwt.)	77.48	64.46	60.18	60.40	66.50	68.40	66.60	66.10	64.30	60.40
Hogs ($/cwt.)	38.00	43.90	52.30	57.80	56.10	50.40	46.90	45.90	43.90	43.50
Lambs ($/cwt.)	63.53	55.38	54.55	56.30	60.30	63.20	61.50	59.60	54.20	51.90
All milk, sold to plants ($/cwt.)	13.05	13.76	13.59	13.20	13.80	13.60	13.50	13.30	13.20	13.20
Milk, manuf. grade ($/cwt.)	12.05	12.73	12.66	12.30	12.80	12.70	12.70	12.50	12.40	12.30
Broilers (cts./lb.)	27.7	28.5	26.9	28.1	27.7	25.4	24.7	26.1	28.3	30.7
Eggs (cts./doz.)[2]	56.3	63.1	59.5	55.1	54.7	58.2	57.1	61.2	58.8	57.5
Turkeys (cts./lb.)	40.0	38.5	37.5	40.2	32.8	33.0	32.1	34.5	36.2	34.0
Wool (cts./lb.)[3]	88.0	91.1	68.0	77.0	57.7	58.4	67.4	65.5	70.0	71.4

[1] Equivalent on-tree returns. [2] Average of all eggs sold by producers including hatching eggs and eggs sold at retail. [3] Average local market price, excluding incentive payments. *Calendar year averages. p = preliminary.

Producer and Consumer Prices

Consumer Price Index for all urban consumers, U.S. average (not seasonally adjusted)

	Annual	1982			1983					
	1982	June	Nov	Dec	Jan	Feb	Mar	Apr	May	June
	1967=100									
Consumer price index, all items	289.1	290.6	293.6	292.4	293.1	293.2	293.4	295.5	297.1	298.1
Consumer price index, less food	288.4	289.7	293.6	292.1	292.6	292.6	292.4	294.7	296.5	297.8
All food	285.7	287.8	286.4	286.5	288.1	289.0	290.5	291.9	292.4	292.0
Food away from home	306.5	305.9	311.4	312.6	314.5	315.2	316.5	318.0	318.6	319.3
Food at home	279.2	282.6	278.3	277.8	279.3	280.3	281.9	283.4	283.8	283.0
Meats[1]	270.3	277.2	273.6	271.1	272.2	273.2	272.8	273.3	272.7	270.2
Beef and veal	276.5	288.2	272.0	270.2	271.3	272.2	272.8	279.4	281.3	278.6
Pork	258.1	259.5	274.2	270.1	272.0	273.6	271.1	262.1	257.3	254.1
Poultry	195.1	197.5	192.0	190.4	191.3	194.0	193.7	191.0	192.0	193.6
Fish	370.6	365.2	366.6	369.6	376.7	379.2	380.1	379.4	372.6	371.2
Eggs	178.7	162.5	175.0	172.5	172.9	169.3	175.0	174.9	181.8	173.8
Dairy products[2]	247.0	246.3	247.4	247.8	249.5	249.7	249.6	250.1	250.3	249.8
Fats and oils[3]	259.6	260.7	258.6	258.6	259.3	258.0	258.4	258.6	258.3	258.3
Fruits and vegetables	291.4	305.8	276.1	277.6	276.2	278.1	286.9	294.9	298.2	298.2
Fresh	298.6	325.9	268.3	272.3	269.2	272.0	288.6	304.3	311.0	310.9
Processed	286.0	285.9	287.3	286.0	286.6	287.4	287.6	287.1	286.7	286.9
Cereals and bakery products	283.4	283.6	285.5	286.3	287.8	288.7	289.8	291.1	291.7	292.4
Sugar and sweets	367.5	366.8	370.3	369.2	371.5	370.7	372.8	373.2	373.1	374.5
Beverages, nonalcoholic	424.2	424.8	426.2	424.3	431.1	432.2	432.7	431.8	431.1	431.0
Apparel commodities less footwear	177.0	175.6	180.6	178.4	175.0	176.0	178.9	179.7	180.2	179.7
Footwear	205.5	206.6	206.9	205.9	204.8	205.6	206.6	207.5	208.0	206.8
Tobacco products	243.5	237.8	264.0	272.3	280.3	282.8	283.3	284.9	285.3	285.9
Beverages, alcoholic	208.5	208.4	210.9	210.9	211.6	213.3	215.1	216.1	216.6	217.0

[1] Beef, veal, lamb, pork, and processed meat. [2] Includes butter. [3] Excludes butter.

Producer Price Indexes, U.S. average (not seasonally adjusted)

	Annual			1982	1983					
	1980	1981	1982 p	June	Jan	Feb	Mar	Apr	May	June
	1967=100									
Finished goods[1]	247.0	269.8	280.7	279.9	283.9	284.1	283.4	283.0	284.3	285.0
Consumer foods	239.5	253.6	259.3	263.4	258.4	261.0	260.8	262.9	262.6	261.0
Fresh fruit	237.6	228.9	236.4	222.5	222.1	227.1	214.9	249.7	231.9	238.7
Fresh and dried vegetables	219.0	278.0	246.5	278.4	210.3	206.6	229.8	257.9	261.2	263.6
Eggs	171.0	187.1	178.7	159.3	170.0	170.0	170.0	170.0	185.1	169.3
Bakery products	247.8	268.2	275.5	274.0	281.0	282.5	282.4	284.3	284.6	284.3
Meats	235.9	239.0	250.6	266.5	242.6	244.7	247.5	248.3	246.0	242.1
Beef and veal	260.2	246.8	245.1	267.4	230.1	235.5	244.5	256.0	253.5	248.6
Pork	196.7	218.1	251.0	257.1	254.1	248.0	244.5	229.8	227.7	224.2
Poultry	193.3	193.3	178.6	185.9	172.5	178.8	172.6	168.3	173.0	178.8
Fish	370.9	377.8	422.6	423.3	442.2	477.9	488.5	477.2	474.5	416.6
Dairy products	230.6	245.8	248.9	248.7	250.7	251.0	250.7	251.0	250.9	250.4
Processed fruits and vegetables	228.7	261.2	274.3	275.8	274.6	273.9	272.9	273.8	275.0	276.8
Shortening and cooking oils	233.2	238.0	234.8	238.5	228.6	227.4	225.2	230.7	236.4	236.6
Consumer finished goods less foods	250.8	276.5	287.8	284.8	291.4	290.3	289.1	287.2	289.3	291.4
Beverages, alcoholic	175.8	189.5	197.8	198.6	201.4	202.5	203.0	204.4	205.2	205.9
Soft drinks	261.0	305.1	319.0	318.0	324.9	325.6	325.0	327.1	327.3	324.5
Apparel	172.4	186.0	193.8	195.0	192.9	193.3	194.6	194.7	195.1	196.6
Footwear	233.1	240.9	245.0	244.2	247.5	246.9	248.0	248.4	248.7	249.0
Tobacco products	245.7	268.3	323.2	307.0	350.9	338.1	335.1	354.7	353.9	352.2
Intermediate materials[2]	280.3	306.0	310.4	309.9	309.2	309.9	309.2	309.1	310.1	311.7
Materials for food manufacturing	264.4	260.4	255.1	260.7	250.9	254.1	252.5	254.8	256.8	257.1
Flour	187.6	191.9	183.4	184.3	181.3	183.9	184.6	185.6	188.2	189.7
Refined sugar[3]	213.1	171.8	161.3	161.0	166.2	169.4	168.5	170.7	171.2	172.8
Crude vegetable oils	202.8	185.4	160.1	168.1	141.6	147.1	149.3	163.3	170.8	171.6
Crude materials[4]	304.6	329.0	319.5	325.6	313.9	320.2	322.1	325.7	325.7	323.2
Foodstuffs and feedstuffs	259.2	257.4	247.8	259.9	239.6	249.3	249.1	256.8	256.5	252.1
Fruits and vegetables[5]	238.6	267.3	253.4	264.5	227.0	227.2	234.3	266.0	259.5	263.9
Grains	239.0	248.4	210.9	225.7	206.3	222.4	227.4	243.8	242.2	241.5
Livestock	252.7	248.0	257.8	277.5	242.3	251.1	251.4	260.6	258.0	251.7
Poultry, live	202.1	201.2	191.9	207.2	177.1	200.1	177.8	170.8	186.9	199.3
Fibers, plant and animal	271.1	242.0	202.9	203.1	201.7	206.4	217.0	213.6	223.8	229.7
Milk	271.2	287.4	282.5	278.9	284.5	284.5	282.9	280.8	279.8	278.6
Oilseeds	249.2	277.8	214.5	225.4	208.1	213.0	210.2	224.4	223.6	213.8
Coffee, green	430.3	330.1	311.5	319.6	299.7	299.7	299.7	298.8	298.8	298.8
Tobacco, leaf	222.2	246.9	269.9	266.5	276.6	276.6	274.2	274.2	275.9	275.0
Sugar, raw cane	413.0	272.7	278.5	285.9	300.1	313.7	312.5	320.4	323.2	323.0
All commodities	268.8	293.4	299.3	299.3	299.9	300.9	300.5	300.8	301.7	302.5
Industrial commodities	274.8	304.1	312.3	310.6	313.9	314.4	313.4	312.6	313.9	315.4
All foods[6]	244.5	251.8	254.5	259.0	252.4	254.7	255.5	258.1	258.2	256.5
Farm products and processed foods and feeds	244.7	251.5	248.9	255.3	245.8	250.4	250.4	254.7	254.7	252.4
Farm products	249.4	254.9	242.4	252.7	233.2	240.7	241.4	250.5	250.3	247.3
Processed foods and feeds	241.2	248.7	251.5	255.8	251.7	254.7	254.3	256.0	256.1	254.2
Cereal and bakery products	236.0	255.6	253.8	252.7	257.3	256.8	257.4	259.1	259.8	260.0
Sugar and confectionery	322.5	275.9	269.7	269.1	282.1	286.4	283.7	286.7	289.5	296.0
Beverages	233.0	248.0	256.9	256.7	260.1	281.3	261.8	263.0	263.3	262.8

[1] Commodities ready for sale to ultimate consumer. [2] Commodities requiring further processing to become finished goods. [3] All types and sizes of refined sugar. [4] Products entering market for the first time which have not been manufactured at that point. [5] Fresh and dried. [6] Includes all raw, intermediate, and processed foods (excludes soft drinks, alcoholic beverages, and manufactured animal feeds). n.a. = not available.

Note: Annual historical data on consumer and producer food price indexes may be found in *Food Consumption, Prices and Expenditures*, Statistical Bulletin 694, ERS, USDA.

Farm-Retail Price Spreads

Market basket of farm foods

	Annual			1982	1983					
	1980	1981	1982 p	June	Jan	Feb	Mar	Apr	May	June
Market basket[1]:										
Retail cost (1967=100)	238.8	257.1	266.4	270.3	265.7	266.6	268.4	269.9	270.6	269.6
Farm value (1967=100)	239.8	246.3	248.8	264.8	233.0	239.3	241.6	243.8	244.6	242.6
Farm-retail spread (1967=100)	238.3	263.4	276.8	273.6	285.0	282.8	284.3	285.3	285.9	285.5
Farm value/retail cost (%)	37.2	35.4	34.6	36.3	32.5	33.2	33.3	33.4	33.5	33.3
Meat products:										
Retail cost (1967=100)	248.8	257.8	270.3	277.2	272.2	273.2	272.8	273.3	272.7	270.2
Farm value(1967=100)	234.0	235.5	251.3	280.5	240.5	248.6	250.1	252.4	249.2	225.2
Farm-retail spread (1967=100)	266.1	284.0	292.5	273.3	309.3	302.0	299.3	297.8	300.3	299.5
Farm value/retail cost (%)	50.7	49.3	50.2	54.6	47.7	49.1	49.5	49.8	49.3	48.9
Dairy products:										
Retail cost (1967=100)	227.4	243.6	247.0	246.3	249.5	249.7	249.6	250.1	250.3	248.9
Farm value (1967=100)	251.1	265.9	261.8	258.9	262.9	264.6	263.4	262.2	258.9	259.2
Farm-retail spread (1967=100)	206.6	224.1	234.0	235.2	237.7	236.6	237.5	239.4	241.4	241.5
Farm value/retail cost (%)	51.6	51.0	49.6	49.1	49.3	49.5	49.3	49.0	48.4	48.5
Poultry:										
Retail cost (1967=100)	190.8	198.6	194.9	197.5	191.3	194.0	193.7	191.0	192.0	193.6
Farm value (1967=100)	211.9	210.2	200.5	214.4	188.4	200.3	187.6	182.4	193.7	208.2
Farm-retail spread (1967=100)	170.3	187.4	189.5	176.2	194.1	187.9	199.6	199.4	190.4	179.4
Farm value/retail cost (%)	54.6	52.0	50.6	54.1	48.4	50.8	47.6	47.0	49.6	52.9
Eggs:										
Retail cost (1967=100)	169.7	183.8	178.7	162.5	172.9	169.3	175.0	174.9	181.8	173.8
Farm value (1967=100)	184.3	206.5	189.5	163.5	165.6	174.3	186.9	182.0	198.3	191.0
Farm-retail spread (1967=100)	148.6	150.9	163.2	161.0	183.5	162.0	157.8	164.7	157.9	148.9
Farm value/retail cost (%)	64.2	66.4	62.7	59.4	56.6	60.9	63.1	61.5	64.5	65.0
Cereal and bakery products:										
Retail cost (1967=100)	246.4	271.1	283.4	283.6	287.8	288.7	289.8	291.1	291.7	292.4
Farm value (1967=100)	221.4	217.5	192.5	198.0	195.3	201.2	203.0	202.7	209.4	201.9
Farm-retail spread (1967=100)	251.6	282.2	301.2	301.3	306.9	306.8	307.8	309.4	308.9	311.1
Farm value/retail cost (%)	15.4	13.8	12.0	12.0	11.6	12.0	12.0	11.9	12.3	11.8
Fresh fruits:										
Retail cost (1967=100)	271.8	286.1	323.2	357.6	276.5	277.1	291.2	295.7	303.2	313.9
Farm value (1967=100)	245.0	251.0	327.1	391.1	177.8	173.1	175.7	183.0	176.0	179.3
Farm-retail spread (1967=100)	283.8	301.8	321.4	342.5	320.8	323.8	343.1	346.3	360.3	374.3
Farm value/retail cost (%)	27.9	27.2	31.4	34.0	19.9	19.4	18.7	19.2	18.0	17.7
Fresh vegetables:										
Retail costs (1967=100)	242.2	287.4	288.9	311.9	270.0	273.4	294.0	316.0	320.8	311.3
Farm value (1967=100)	216.1	282.4	275.3	309.0	215.7	230.5	278.0	310.1	338.2	313.6
Farm-retail spread (1967=100)	254.5	289.7	295.2	313.3	295.5	293.5	301.5	318.7	312.6	310.2
Farm value/retail cost (%)	28.5	31.4	30.5	31.9	25.5	27.0	30.2	31.4	33.7	32.3
Processed fruits and vegetables:										
Retail cost (1967=100)	242.5	271.5	286.2	285.9	286.6	267.4	287.6	287.1	286.7	286.9
Farm value (1967=100)	243.5	290.6	272.7	274.3	228.4	225.3	223.4	223.0	224.8	225.1
Farm-retail spread (1967=100)	242.2	267.3	288.9	285.5	299.5	301.1	301.8	301.3	300.4	300.6
Farm value/retail costs (%)	18.2	19.4	17.3	17.4	14.4	14.2	14.1	14.1	14.2	–
Fats and oils:										
Retail cost (1967=100)	241.2	267.1	259.9	260.7	259.3	258.0	258.4	285.6	258.3	258.3
Farm value (1967=100)	250.3	262.4	207.8	219.4	190.9	198.5	208.6	224.6	218.1	220.9
Farm-retail spread (1967=100)	237.7	268.9	279.9	281.7	285.6	280.9	277.5	271.7	273.8	272.7
Farm value/retail cost (%)	28.8	27.3	22.2	23.0	20.4	21.4	22.4	24.1	23.4	23.8

[1] Retail costs are based on indexes of retail prices for domestically produced farm foods from the CPI-U published monthly by the Bureau of Labor Statistics. The farm value is the payment to farmers for quantity of farm product equivalent to retail unit, less allowance for byproduct. Farm values are based on prices at first point of sale and may include marketing charges such as grading and packing for some commodities. The farm-retail spread, the difference between the retail price and the farm value, represents charges for assembling, processing, transporting, and distributing these foods.

Note: Annual historical data on farm-retail price spreads may be found in *Food Consumption, Prices and Expenditures,* Statistical Bulletin 694, ERS, USDA.

Farm-retail price spreads

	Annual			1982	1983					
	1980	1981	1982	June	Jan	Feb	Mar	Apr	May	June
Beef, Choice:										
Retail price[1] (cts./lb.)	237.6	238.7	242.5	254.6	236.9	238.7	238.1	244.5	246.7	244.1
Net carcass value[2] (cts.)	155.4	149.3	150.7	164.4	140.5	144.0	150.3	160.3	155.9	152.0
Net farm value[3] (cts.)	145.0	138.5	140.5	154.4	131.5	135.5	142.1	151.0	147.8	143.3
Farm-retail spread (cts.)	92.6	100.2	102.0	100.2	105.4	103.2	96.0	93.5	98.9	100.8
Carcass-retail spread[4] (cts.)	82.2	89.4	91.8	90.2	96.4	94.7	87.8	84.2	90.8	92.1
Farm-carcass spread[5] (cts.)	10.4	10.8	10.2	10.0	9.0	8.5	8.2	9.3	8.1	8.7
Farm value/retail price (%)	61	58	58	61	56	57	60	62	60	59
Pork:										
Retail price[1] (cts./lb.)	139.4	152.4	175.4	175.4	185.0	183.3	180.7	173.9	171.1	168.2
Wholesale value[2] (cts.)	98.0	106.7	121.8	125.1	121.6	122.3	114.2	108.8	106.0	105.8
Net farm value[3] (cts.)	63.2	70.3	88.0	93.7	90.6	92.4	81.3	75.7	75.2	73.1
Farm-retail spread (cts.)	67.2	82.1	87.4	81.7	94.4	90.9	99.4	98.2	95.9	95.1
Wholesale-retail spread[4] (cts.)	41.4	45.7	53.6	50.3	63.4	61.0	66.5	65.1	65.1	62.4
Farm-wholesale spread[5] (cts.)	34.8	36.4	33.8	31.4	31.0	29.9	32.9	33.1	30.8	32.7
Farm value/retail price (%)	45	46	50	53	49	50	45	44	44	43

[1] Estimated weighted average price of retail cuts from pork and yield grade 3 beef carcasses. Retail prices from BLS. [2] Value of carcass quantity equivalent to 1 lb. of retail cuts-beef adjusted for value of fat and bone byproducts. [3] Market value to producer for quantity of live animal equivalent to 1 lb. retail cuts minus value of byproducts. [4] Represents charges for retailing and other marketing services such as fabricating, wholesaling, and in-city transportation. [5] Represents charges made for livestock marketing, processing and transportation to city where consumed.

Price indexes of food marketing costs[1]

	Annual			1982				1983	
	1980	1981	1982 p	I	II	III	IV p	I p	II p
					1967=100				
Labor-hourly earnings and benefits	292.6	321.3	342.7	336.6	341.8	344.5	347.8	352.6	355.6
Processing	283.3	309.2	330.0	325.6	330.8	329.7	333.9	340.4	343.6
Wholesaling	283.5	309.5	334.7	329.4	331.3	337.2	340.9	345.6	349.5
Retailing	306.4	338.6	358.9	350.8	357.4	362.5	364.8	367.8	370.3
Packaging and containers	261.5	280.9	275.2	279.9	278.9	272.0	269.8	274.5	278.7
Paperboard boxes and containers	234.7	258.2	254.9	260.7	258.6	253.7	246.6	244.7	249.0
Metal cans	325.7	345.8	363.6	359.2	367.3	363.5	364.6	373.2	379.0
Paper bags and related products	238.1	258.9	264.4	264.4	264.4	264.3	264.5	265.1	264.6
Plastic films and bottles	258.9	262.5	200.0	223.1	207.9	184.6	184.4	204.8	215.4
Glass containers	292.6	328.6	355.5	347.9	358.1	358.2	358.0	355.5	352.4
Metal foil	184.4	203.3	213.2	214.4	214.3	212.5	211.6	211.6	211.6
Transportation services	297.9	345.9	371.0	371.7	371.0	370.8	370.6	374.3	374.2
Advertising	214.5	234.9	260.1	251.4	259.3	263.7	266.0	272.4	279.1
Fuel and power	564.0	669.2	705.1	696.0	681.8	712.8	729.6	705.3	690.7
Electric	320.1	367.9	406.0	396.5	406.4	413.3	407.8	411.1	413.9
Petroleum	850.8	1,056.2	1,012.4	1,051.8	951.1	1,015.0	1,031.7	928.2	842.2
Natural gas	733.7	826.3	990.3	900.6	967.3	1,008.0	1,085.2	1,120.3	1,178.7
Communications, water and sewage	153.9	168.7	186.7	180.7	185.5	188.9	191.6	196.9	198.6
Rent	235.4	255.0	264.3	266.1	265.8	265.0	265.2	263.5	264.9
Maintanance and repair	277.1	304.0	325.1	317.7	324.1	327.9	330.7	333.3	336.7
Business services	231.9	254.2	277.2	269.7	274.5	279.7	284.8	288.7	291.8
Supplies	258.8	283.8	289.1	290.1	289.3	288.6	288.4	267.0	285.6
Property taxes and insurance	270.6	294.0	309.9	304.0	307.3	312.0	316.3	321.6	325.5
Interest, short-term	240.3	288.8	232.6	268.1	263.9	226.1	172.4	163.2	168.4
Total marketing cost index	286.2	317.5	333.9	330.6	333.2	334.9	336.8	339.6	341.7

[1] Indexes measure changes in employee wages and benefits and in prices of supplies and services used in processing, wholesaling, and retailing U.S. farm foods purchased for at-home consumption. p = preliminary.

Note: Annual historical data on food marketing cost indexes may be found in *Food Consumption Prices and Expenditures*, Statistical Bulletin 694, ERS, USDA.

Transportation Data

Rail rates, grain and fruit and vegetable shipments

	Annual			1982	1983					
	1980	1981	1982	June	Jan	Feb	Mar	Apr	May	June
Rail freight rate index[1]										
All products (1969=100)	284.5	327.6	351.4	351.4	355.1	355.3	355.3p	355.3p	355.4p	355.4p
Farm products (1969=100)	275.6	315.0	337.2	337.6	341.5	342.0	342.0p	342.0p	342.0p	342.0p
Grain (Dec. 1978=100)	127.9	148.1	159.5	159.7	160.0	160.0	160.0p	160.0p	160.0p	160.0p
Food products (1969=100)	283.1	329.4	353.3	353.1	356.8	356.4	356.4p	356.4p	356.4p	356.4p
Rail carloadings of grain (thou. cars)[2]	30.1	26.3	24.4	22.5	24.7	26.3	26.8	21.2r	20.8	22.1
Barge shipments of grain (mil. bu.)[3]	36.7	38.2	41.9	44.7	46.4	33.8	42.5	34.0	38.6	38.0
Fresh fruit and vegetable shipments										
Piggy back (thousand cwt.)[3,4]	124	247	384	457	467	530	446	486	693	681
Rail (thou. cwt.)[3,4]	1,218	711	688	1,180	464	918	713	645	792	1,206
Truck (thou. cwt.)[3,4]	7,594	7,662	7,858	9,106	7,389	7,097	7,547	8,035	8,709	9,638

[1] Department of Labor, Bureau of Labor Statistics, revised April 1982. [2] Weekly average; from Association of American Railroads. [3] Weekly average; from Agricultural Marketing Service, USDA. [4] Preliminary data for 1982. p = preliminary. r = revised.

Livestock and Products

Poultry and eggs

	Annual			1982	1983					
	1980	1981	1982 p	June	Jan	Feb	Mar	Apr	May	June
Broilers										
Federally inspected slaughter, certified (mil. lb.)	11,272	11,106	12,039	1,085.2	1,019.9	929.5	1,109.8	1,054.3	1,084.0	–
Wholesale price, 9-city, (cts./lb.)	46.8	46.3	44.0	47.0	43.1	45.2	41.9	40.9	47.1	49.1
Price of broiler grower feed ($/ton)	207	227	210	216	202	206	210	215	220	217
Broiler-feed price ratio (lb.)[1]	2.7	2.6	2.5	2.7	2.6	2.7	2.4	2.3	2.4	2.6
Average weekly placements of broiler chicks, 19 States (mil.)	77.9	77.1	80.2	84.6	82.1	81.6	84.9	85.0	83.7	83.6
Turkeys										
Federally inspected slaughter, certified (mil. lb.)	2,332	2,509	2,459	216.2	144.4	133.4	180.1	164.7	182.3	–
Wholesale price, New York, 8-16 lb. young hens (cts./lb.)	63.6	60.7	60.8	–	53.6	54.9	56.0	54.4	56.6	60.9
Price of turkey grower feed ($/ton)	223	249	229	238	226	227	230	241	241	246
Turkey-feed price ratio (lb.)[1]	3.6	3.1	3.3	–	2.8	2.9	2.9	2.7	2.9	2.9
Poults hatched (mil.)	188.7	187.3	184.2	20.6	14.3	15.4	([5])	([5])	([5])	([5])
Poults placed in U.S. (mil.)	([5])	([5])	([5])	([5])	13.8	15.0	19.0	19.8	20.9	–
Eggs										
Price of laying feed ($/ton)	188	210	190	195	186	188	169	198	202	201
Egg-feed price ratio (lb.)[1]	6.0	6.0	6.1	5.3	5.7	5.8	6.2	5.8	6.1	5.9
Cartoned price, New York, grade A large (cts./doz.)[2]	66.9	73.2	70.1	63.9	62.7	65.7	69.1	67.6	69.9	–
Replacement chicks hatched (mil.)	485	454	444	–	33.3	33.1	39.5	37.2	39.0	–

	Annual			[4] 1982	1983					
	1980	1981	1982 p	IV	Jan	Feb	Mar	Apr	May	June
Eggs										
Farm production (mil.)	69,671	69,827	69,680	17,419	5,917	5,345	5,918	5,592	5,691	5,495
Average number of layers on farms (mil.)	288	288	286	285	284	281	278	274	271	269
Rate of lay (eggs per layer)	242	243	244	61.0	20.8	19.0	21.3	20.4	21.0	20.4

	Annual			[4] 1982	1983					
	1980	1981	1982 p	IV	Jan	Feb	Mar	Apr	May	June
Stocks										
Eggs, shell (thou. cases)	38	31	35	28	34	35	25	18	23	32
Eggs, frozen (mil. lb.)	23.4	24.3	23.7	28.0	25.4	28.1	27.5	24.9	24.2	23.0
Broilers, beginning of period (mil. lb.)	30.6	22.4	32.6	17.4	22.3	20.8	17.6	20.9	20.6	18.4
Turkeys, beginning of period (mil. lb.)	240.0	198.0	238.4	440.2	203.9	193.8	187.7	185.3	192.3	210.5

[1] Pounds of feed equal in value to 1 dozen eggs or 1 lb. of broiler or turkey liveweight. [2] Price of cartoned eggs to volume buyers for delivery to retailers. [3] Marketing year quarters begin in December. [4] Monthly data not available for 1982. [5] Not reported.

Dairy

	Annual			1982	1983					
	1980	1981	1982	June	Jan	Feb	Mar	Apr	May	June
Milk prices, Minnesota-Wisconsin,										
3.5% fat ($/cwt.)[1]	11.88	12.57	12.48	12.42	12.62	12.59	12.53	12.51	12.51	12.50
Price of 16% dairy ration ($/ton)	177	192	177	179	175	177	175	182	184	184
Milk-feed price ratio (lb.)[2]	1.47	1.43	1.54	1.46	1.58	1.56	1.55	1.48	1.45	1.43
Wholesale prices:										
Butter, Grade A Chi. (cts./lb.)	139.3	148.0	147.7	147.3	147.2	147.2	147.2	147.2	147.2	147.3
Am. cheese, Wis. assembly pt. (cts./lb.)	133.0	139.4	138.3	137.4	139.3	138.4	138.0	137.6	137.4	137.4
Nonfat dry milk, (cts./lb.)[3]	88.4	93.1	93.2	93.1	93.4	93.4	93.4	93.4	93.4	93.4
USDA net removals (mil. lb.):										
Total milk equiv. (mil. lb.)[4]	8,799.9	12,860.9	14,286.6	1,623.3	1,972.6	1,890.8	1,782.0	1,958.0	1,971.3	1,846.6
Butter (mil. lb.)	257.0	351.5	382.3	39.9	66.6	59.2	46.7	53.3	55.5	40.1
Am. cheese (mil. lb.)	349.7	563.0	642.5	80.2	60.1	67.3	82.3	86.3	83.0	102.8
Nonfat dry milk (mil. lb.)	634.3	851.3	952.9	120.7	81.8	83.9	106.0	95.9	111.8	123.7

	Annual			1981	1982				1983	
	1980	1981	1982	IV	I	II	III	IV	I	II
Milk:										
Total milk production (mil. lb.)	128,525	133,013	135,795	32,060	33,235	35,723	33,983	32,854	33,955	36,453
Milk per cow (lb.)	11,889	12,177	12,316	2,917	3,018	3,246	3,082	2,972	3,070	3,294
Number of milk cows (thou.)	10,810	10,923	11,026	10,991	11,021	11,004	11,026	11,053	11,059	11,068
Stocks, beginning										
Total milk equiv. (mil. lb.)[4]	8,599	12,958	18,377	19,813	18,377	18,022	20,990	20,916	20,054	22,204
Commercial (mil. lb.)	5,419	5,752	5,398	5,255	5,398	5,167	5,042	4,569	4,603	5,047
Government (mil. lb.)	3,180	7,207	12,980	14,558	12,980	12,855	15,949	16,347	15,451	17,156
Imports, total equiv. (mil. lb.)[4]	2,109	2,329	2,477	877	422	565	581	909	633	n.a.
Commercial disappearance milk equiv. (mil. lb.)	119,161	120,531	122,460	30,562	26,655	30,947	31,804	31,056	27,931	n.a.
Butter:										
Production (mil. lb.)	1,145.3	1,228.2	1,257.0	302.3	366.6	334.0	256.4	300.0	380.7	n.a.
Stocks, beginning (mil. lb.)	177.8	304.6	429.2	489.5	429.2	447.8	541.6	510.0	466.8	533.0
Commercial disappearance (mil. lb.)	878.8	869.2	897.1	243.2	211.4	217.6	217.1	251.0	208.3	n.a.
American cheese:										
Production (mil. lb.)	2,375.8	2,642.3	2,750.5	619.3	662.1	759.4	673.2	655.7	705.2	n.a.
Stocks, beginning (mil. lb.)	406.6	591.5	889.1	886.4	889.1	817.1	903.2	955.0	981.4	1,060.4
Commercial disappearance (mil. lb.)	2,023.9	2,147.9	2,165.0	556.5	541.3	546.1	549.4	528.1	459.2	n.a.
Other Cheese:										
Production (mil. lb.)	1,608.5	1,635.3	1,789.4	430.9	411.9	443.5	448.1	485.8	439.1	n.a.
Stocks, beginning (mil. lb.)	105.6	99.3	86.6	95.7	86.6	80.9	91.6	99.2	82.6	85.3
Commercial disappearance (mil. lb.)	1,827.9	1,875.6	2,044.6	532.9	462.9	484.5	501.0	596.2	496.1	n.a.
Nonfat dry milk:										
Production (mil. lb.)	1,160.7	1,314.3	1,400.6	291.4	247.2	417.5	339.0	296.9	368.4	n.a.
Stocks, beginning (mil. lb.)	485.2	586.8	889.7	809.0	889.7	975.6	1,132.4	1,240.1	1,282.0	1,305.7
Commercial disappearance (mil. lb.)	538.9	464.1	443.0	118.0	105.0	75.5	142.3	120.2	109.0	n.a.
Frozen dessert production (mil. gal.)[5]	1,166.9	1,167.7	1,176.2	244.6	249.3	333.7	345.8	247.5	263.2	n.a.

[1] Manufacturing grade milk. [2] Pounds of 16% protein ration equal in value to 1 pound of milk. [3] Prices paid f.o.b. Central States production area, high heat spray process. [4] Milk equivalent, fat-solids basis. [5] Ice cream, ice milk, and sherbert. n.a = not available.

Wool

	Annual			1982	1983					
	1980	1981	1982	June	Jan	Feb	Mar	Apr	May	June
U.S. wool price, Boston[1] (cts./lb.)	245	278	247	240	n.a.	n.a.	193	193	193	198
Imported wool price, Boston[2] (cts./lb.)	265	292	262	249	256	249	241	241	247	248
U.S. mill consumption, scoured										
Apparel wool (thou. lb.)	113,423	127,752	105,005	9,362	8,785	9,645	12,839	11,038	9,658	n.a.
Carpet wool (thou. lb.)	10,020	10,896	9,625	777	849	955	1,177	939	1,011	n.a.

[1] Wool price delivered at U.S. mills, clean basis, Graded Territory 64's (20.60-22.04 microns) staple 2¾" and up. Prior to January 1976 reported as: Territory fine, good French combing and staple. [2] Wool price delivered at U.S. mills, clean basis, Australian 60/62's, type 64A (24 micron), including duty (25.5 cents). Duty in 1982 is 10.0 cents. Prior to January 1976 reported as: Australian 64's combing, excluding. n.a. = not available.

Meat animals

	Annual			1982	1983					
	1980	1981	1982	June	Jan	Feb	Mar	Apr	May	June
Cattle on feed (7-States)										
Number on feed (thou. head)[1]	8,454	7,863	7,201	7,363	8,316	8,052	7,604	7,268	7,221	7,331
Placed on feed (thou. head)	18,346	17,814	20,261	1,420	1,509	1,179	1,394	1,566	1,843	1,582
Marketings (thou. head)	17,448	17,198	18,007	1,510	1,643	1,506	1,593	1,470	1,583	1,560
Other disappearance (thou. head)	1,489	1,263	1,139	92	130	121	137	143	150	78
Beef steer-corn price ratio, Omaha (bu.)[2]	25.1	22.2	26.5	26.5	24.5	23.4	22.7	21.9	21.8r	21.2
Hog-corn price ratio, Omaha (bu.)[2]	14.6	15.5	22.9	22.1	23.2	21.7	18.1	15.4	15.2r	14.7
Market prices ($ per cwt.)										
Slaughter cattle:										
Choice steers, Omaha	66.96	63.84	64.30	70.18	59.33	61.20	64.03	67.70	67.51	65.90
Utility cows, Omaha	45.73	41.93	39.96	42.73	36.94	40.92	42.36	43.04	42.98	42.26
Choice vealers, S. St. Paul	75.53	77.16	77.70	85.00	75.88	75.00	75.50	77.12	76.00	71.00
Feeder cattle:										
Choice, Kansas City, 600-700 lb.	75.23	66.24	64.82	65.57	65.30	67.35	69.19	68.38	67.62	64.75
Slaughter hogs:										
Barrows and gilts, 7-markets	40.04	44.45	55.44	59.16	56.78	57.27	50.94	47.50	47.02	45.71
Feeder pigs:										
S. Mo. 40-50 lb. (per head)	30.14	35.40	51.14	53.12	52.94	55.40	52.36	43.74	35.14	25.31
Slaughter sheep and lambs:										
Lambs, Choice, San Angelo	66.42	58.40	56.44	63.33	55.81	60.88	63.30	65.75	60.62	56.62
Ewes, Good, San Angelo	24.68	26.15	21.80	24.38	20.25	19.25	21.10	20.50	14.94	14.50
Feeder lambs:										
Choice, San Angelo	68.36	56.86	52.97	55.38	58.31	64.06	63.90	65.62	56.62r	51.44
Wholesale meat prices, Midwest										
Choice steer beef, 600-700 lb.	104.44	99.84	101.31	111.21	94.14	96.55	100.62	107.76	105.00	102.47
Canner and Cutter cow beef	92.45	84.06	78.96	81.11	74.88	83.83	84.04	84.31	83.67	82.98
Pork loins, 8-14 lb.	84.87	96.56	111.51	122.12	112.83	—	—	—	100.58	102.50
Pork bellies, 12-14 lb.	43.78	52.29	76.54	76.72	80.91	—	65.11	64.71	60.80	60.19
Hams, skinned, 14-17 lb.	73.34	77.58	91.47	86.00	85.92	88.93	81.39	70.02	66.29	63.51

	Annual			1982				1983		
	1980	1981	1982	I	II	III	IV	I	II	III
Cattle on feed (13-States):										
Number on feed (thou. head)[1]	10,399	9,845	9,028	9,028	8,818	8,981	8,800	10,271	9,153	9,067
Placed on feed (thou. head)	22,548	21,929	24,425	5,572	5,781	5,846	7,226	5,047	6,886	—
Marketings (thou. head)	21,306	21,219	21,809	5,443	5,209	5,773	5,384	5,714	5,522	[4]5,842
Other disappearance (thou. head)	1,796	1,527	1,373	339	409	254	371	451	450	—
Hogs and pigs (10-States):[3]										
Inventory (thou. head)[1]	49,090	45,970	41,940	45,970	40,610	41,190	41,670	42,440	41,840	45,250
Breeding (thou. head)[1]	6,840	6,021	5,593	6,021	5,578	5,689	5,553	5,670	5,928	6,224
Market (thou. head)[1]	42,250	39,949	36,347	39,949	35,032	35,501	36,117	36,770	35,912	39,026
Farrowings (thou. head)	10,527	9,821	8,963	1,977	2,391	2,199	2,363	2,090	2,768	[4]2,415
Pig crop (thou. head)	76,230	72,591	65,767	14,059	17,943	16,254	17,548	16,543	21,063	—
Commercial slaughter (thou. head)[5]										
Cattle	33,807	34,953	35,843	8,679	8,642	9,214	9,308	8,734	8,844	—
Steers	17,156	17,508	17,277	4,431	4,390	4,323	4,133	4,265	4,387	—
Heifers	9,593	10,027	10,394	2,337	2,353	2,879	2,825	2,581	2,553	—
Cows	6,334	6,643	7,354	1,738	1,685	1,787	2,144	1,701	1,694	—
Bulls and stags	724	775	818	173	214	225	206	187	210	—
Calves	2,588	2,798	3,021	770	675	770	806	734	669	—
Sheep and lambs	5,579	6,008	6,449	1,602	1,537	1,628	1,681	1,524	1,574	—
Hogs	96,074	91,575	82,190	21,714	20,712	18,940	20,825	20,211	21,403	—
Commercial production (mil. lb.)										
Beef	21,470	22,214	22,366	5,455	5,363	5,730	5,818	5,525	5,549	—
Veal	379	415	423	107	99	107	110	103	98	—
Lamb and mutton	310	327	356	90	85	88	93	93	89	—
Pork	16,432	15,716	14,121	3,693	3,550	3,240	3,638	3,483	3,726	—

[1] Beginning of period. [2] Bushels of corn equal in value to 100 pounds liveweight. [3] Quarters are Dec. preceding year-Feb. (I), Mar.-May (II), June-Aug. (III), and Sept.-Nov. (IV). [4] Intentions. [5] Classes estimated. r = revised.

Food grains

	Marketing year[1]			1982	1983					
	1979/80	1980/81	1981/82	June	Jan	Feb	Mar	Apr	May	June
Wholesale prices:										
Wheat, No. 1 HRW, Kansas City ($/bu.)[3]	4.25	4.45	4.27	4.06	4.00	4.08	4.18	4.21	4.05	3.91
Wheat, DNS, Minneapolis ($/bu.)[3]	4.16	4.46	4.17	4.08	3.80	3.82	4.01	4.34	4.25	4.15
Flour, Kansas City ($/cwt.)	10.03	10.35	10.37	10.26	10.20	10.49	10.50	10.16	10.35	n.a.
Flour, Minneapolis ($/cwt.)	10.27	10.98	10.70	10.50	10.16	10.30	10.76	10.81	10.95	11.21
Rice, S.W. La. ($/cwt.)[3]	22.15	25.95	20.20	17.20	18.35	17.50	17.50	18.50	18.50	18.60
Wheat:										
Exports (mil. bu.)	1,375	1,514	1,773	162	148	156	138	124	107	–
Mill grind (mil. bu.)	630	643	631	50	55	53	59	54	–	–
Wheat flour production (mil. cwt.)	283	290	280	22	24	23	27	24	–	–

	Marketing year[1]			1982				1983		
	1979/80	1980/81	1981/82	Jan-Mar	Apr-May	June-Sept	Oct-Dec	Jan-Mar	Apr-May p	June-Sept p
Wheat:										
Stocks, beginning (mil. bu.)	924	902	989	2,178	1,557	1,164	2,987	2,520	1,877	1,541
Domestic use:										
Food (mil. bu.)	596	611	600	152	87	206	162	151	96	–
Feed and seed (mil. bu.)[4]	187	185	254	29	24	235	15	53	10	–
Exports (mil. bu.)	1,375	1,514	1,773	441	262	546	293	442	230	–

[1] Beginning June 1 for wheat and August 1 for rice. [2] Ordinary protein. [3] Long-grain, milled basis. [4] Feed use approximated by residual. n.a. = not available.

Feed grains

	Marketing year[1]			1982	1983					
	1979/80	1980/81	1981/82	June	Jan	Feb	Mar	Apr	May	June
Wholesale prices:										
Corn, No. 2 yellow, St. Louis ($/bu.)	2.73	3.35	2.61	2.75	2.52	2.79	2.99	3.24	3.24	3.27
Sorghum, No. 2 yellow, Kansas City ($/cwt.)	4.65	5.36	4.29	4.50	4.54	4.87	5.08	5.30	5.37	5.37
Barley, feed, Minneapolis ($/bu.)	2.18	2.60	2.21	2.12	1.83	1.72	1.73	2.01	1.95	1.96
Barley, malting, Minneapolis ($/bu.)	2.87	3.64	3.06	2.93	2.38	2.42	2.45	2.68	2.76	2.60
Exports:										
Corn (mil. bu.)	2,433	2,355	1,967	180	175	162	170	159	150	n.a.
Feed grains (mil. metric tons)[2]	71.7	69.4	58.4	5.0	5.3	4.6	4.9	4.2	4.1	n.a.

	Marketing year[1]			1981	1982				1983	
	1979/80	1980/81	1981/82	Oct-Dec	Jan-Mar	Apr-May	June-Sept	Oct-Dec	Jan-Mar	Apr-May p
Corn:										
Stocks, beginning (mil. bu.)	1,304	1,618	1,034	1,034	6,968	5,132	3,904	2,286	8,424	6,364
Domestic use:										
Feed (mil. bu.)	4,519	4,139	4,173	1,553	1,194	672	753	1,544	1,376	812
Food, seed, ind. (mil. bu.)	675	735	812	170	153	147	342	203	176	164
Feed grains:[2]										
Stocks, beginning (mil. metric tons)	46.2	52.4	34.6	45.5	207.0	150.5	114.3	84.9	250.5	188.7
Domestic use:										
Feed (mil. metric tons)	138.7	123.0	127.9	47.4	36.6	20.1	23.7	48.1	41.6	24.2
Food, seed, ind. (mil. metric tons)	22.3	23.8	25.8	5.3	5.2	5.0	10.3	6.2	5.5	5.6

[1] Beginning October 1 for corn and sorghum; June 1 for oats and barley. [2] Aggregated data for corn, sorghum, oats, and barley. p = preliminary.

Fats and oils

	Marketing year[1]			1982	1983					
	1979/80	1980/81	1981/82	June	Jan	Feb	Mar	Apr	May	June
Soybeans:										
Wholesale price, No. 1 yellow, Chicago ($/bu.)[2]	6.46	7.59	6.24	6.27	5.85	5.91	5.98	6.38	6.26	–
Crushings (mil. bu.)	1,123.0	1,020.5	1,029.7	77.1	110.0	93.0	94.6	81.8	83.7	–
Exports (mil. bu.)	875.0	724.3	929.1	59.8	86.3	87.2	84.4	73.3	58.5	–
Soybean oil:										
Wholesale price, crude, Decatur (cts./lb.)	24.3	22.7	19.0	19.4	16.4	17.3	17.7	19.3	19.8	19.4
Production (mil. lb.)	12,105.3	11,270.2	10,979.4	828.4	1,167.2	997.0	1,015.4	881.3	908.8	–
Domestic disappearance (mil. lb.)	8,980.7	9,113.7	9,536.3	748.6	916.4	784.2	783.5	816.9	829.6	–
Exports (mil. lb.)	2,690.2	1,630.5	2,076.3	208.0	124.0	225.9	90.4	305.7	127.5	–
Stocks, beginning (mil. lb.)	776.0	1,210.2	1,736.1	2,017.7	1,586.6	1,713.4	1,700.3	1,841.8	1,600.4	1,552.2
Soybean meal:										
Wholesale price, 44% protein, Decatur ($/ton)	181.91	218.18	182.52	183.6	179.3	177.1	177.3	186.8	185.8	–
Production (thou. ton)	27,105.1	24,312.1	24,634.4	1,844.3	2,628.1	2,220.7	2,258.7	1,949.8	1,993.2	–
Domestic disappearance (thou. ton)	19,215.0	17,590.9	17,714.4	1,471.0	1,508.0	1,371.3	1,490.3	1,484.5	1,548.7	–
Exports (thou. ton)	7,931.9	6,784.1	6,907.5	457.7	1,052.2	826.8	850.2	450.2	458.8	–
Stocks, beginning (thou. ton)	267.4	225.6	162.7	309.3	332.3	400.2	422.8	341.0	356.1	341.8
Margarine, wholesale price, Chicago (cts/lb.)	50.3	47.0	41.4	42.5	40.0	40.0	40.0	40.8	42.4	42.8

[1] Beginning September 1 for soybeans; October 1 for soymeal and oil; calendar year for margarine. [2] Beginning April 1, 1982 prices based on 30 day delivery, using upper end of the range.

Cotton

	Marketing year[1]			1982	1983					
	1979/80	1980/81	1981/82	June	Jan	Feb	Mar	Apr	May	June
U.S. price, SLM, 1-1/16 in. (cts/lb.)[2]	71.5	83.0	60.5	61.1	60.2	61.7	66.1	65.3	66.9	70.7
Northern Europe prices										
Index (cts./lb.)[3]	na	93.3	73.8	75.6	71.9	74.3	78.9	80.2	82.0	86.0
U.S. M 1-3/32" (cts./lb.)[4]	na	na	75.9	75.4	74.3	75.5	81.4	80.8	80.6	85.1
U.S. mill consumption (thou. bales)	6,463.0	5,870.5	5,263.8	479.6	423.0	452.6	576.3	450.4	461.5	–
Exports (thou. bales)	9,228.9	5,925.8	6,567.3	523.2	462.4	385.8	512.6	639.8	483.6	–

[1] Beginning August 1. [2] Average spot market. [3] Liverpool Outlook "A" index: average of five lowest priced of 10 selected growths. [4] Memphis territory growths. na = not available.

Fruit

	Annual			1982	1983					
	1980	1981	1982	June	Jan	Feb	Mar	Apr	May	June
Wholesale price indexes:										
Fresh fruit (1967=100)	237.3	226.7	235.4	221.1	222.1	227.1	214.9	249.7	231.9	238.7
Dried fruit (1967=100)	399.2	405.9	409.7	407.2	410.2	411.4	410.4	411.9	412.0	412.3
Canned fruit and juice (1967=100)	256.4	273.8	283.7	287.1	284.6	283.2	282.4	281.9	284.1	284.8
Frozen fruit and juice (1967=100)	244.3	302.8	305.5	302.3	298.3	296.1	300.1	300.3	302.3	301.3
F.o.b. shipping point prices:										
Apples, Yakima Valley ($/ctn.)[1]	n.a.	n.a.	n.a.	[3]15.40	8.06	[3]9.50	[3]9.81	[3]9.81	[3]10.94	[3]11.00
Pears, Medford, Or. ($/box)[3]	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Oranges, U.S. avg. ($/box)	9.58	11.30	14.10	16.90	11.10	10.40	10.20	10.10	9.17	9.59
Grapefruit, U.S. avg. ($/box)	8.50	10.10	9.36	9.94	8.63	8.63	8.55	8.75	9.15	10.20

	Year Ending			1982	1983					
	1980	1981	1982	Dec	Jan	Feb	Mar	Apr	May	June
Stocks, ending:										
Fresh apples (mil. lb.)	2,244.6	2,676.1	3,138.9	3,082.3	2,443.7	1,900.0	1,322.6	861.5	427.0	216.3
Fresh pears (mil. lb.)	205.0	207.9	180.9	180.9	140.1	110.2	77.5	48.8	18.2	.3
Frozen fruit (mil. lb.)	579.5	545.6	627.5	623.6	546.3	482.8	430.3	387.3	351.5	460.3
Frozen fruit juices (mil. lb.)	1,008.4	1,127.2	1,157.6	1,158.4	1,368.3	1,380.2	1,326.0	1,553.4	1,850.6	1,667.7

[1] Red Delicious, Washington extra fancy, carton tray pack, 80-113's. [2] D'Anjou pears, Medford, or wrapped, U.S. No. 1, 100-135's. [3] Control atmosphere storage. n.a. = not available.

Vegetables

	Annual			1982	1983					
	1980	1981	1982	June	Jan	Feb	Mar	Apr	May	June
Wholesale prices:										
Potatoes, white, f.o.b. East ($/cwt.)	6.32	9.39	6.05	10.56	3.91	4.08	4.08	7.53	6.30	9.50
Iceberg lettuce ($/crtn.)[1]	4.25	5.27	5.92	4.18	4.38	3.44	6.20	6.04	7.50	9.50
Tomatoes ($/crtn.)[2]	7.57	9.06	7.40	10.20	6.95	13.62	19.12	15.75	9.73	7.91
Wholesale price index, 10 canned veg. (1967=100)	200	235	239	243	233	230	232	232	2.31	231
Grower price index, fresh commercial veg. (1977=100)	110	135	121	118	196	120	141	154	141	135

[1] Std. carton 24's f.o.b. shipping point. [2] 5 x 6-6 x 6, f.o.b. Fla-Cal.

Sugar

	Annual			1982	1983					
	1980	1981	1982	June	Jan	Feb	Mar	Apr	May	June
U.S. raw sugar price, N.Y. (cts./lb.)[1]	30.11	19.73	19.92	21.03	21.23	21.76	21.86	22.43	22.59	22.54
U.S. deliveries (thou. short tons)[2,3]	10,149	9,731	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

[1] Spot price reported by N.Y. Coffee and Sugar Exchange. Reporting resumed in mid August 1979 after being suspended November 3, 1977. [2] Raw value. [3] Excludes Hawaii. n.a. = not available.

Tobacco

	Annual			1982	1983					
	1980	1981	1982 p	June	Jan	Feb	Mar	Apr	May	June
Prices at auctions:										
Flue-cured (cts./lb.)[1]	144.5	166.4	178.6	–	–	–	–	–	–	–
Burley (cts./lb.)[1]	165.9	180.6	180.3	–	182.5	180.0	–	–	–	–
Domestic consumption[2]										
Cigarettes (bil.)	620.7	640.0	633.0	60.6	46.7	42.7	54.4	47.5	n.a.	n.a.
Large cigars (mil.)	3,994	3,893	3,607	348.6	266.9	236.0	293.1	259.8	n.a.	n.a.

[1] Crop year July-June for flue-cured, October-September for burley. [2] Taxable removals. n.a. = not available.

Coffee

	Annual			1982	1983					
	1980	1981	1982 p	June	Jan	Feb	Mar	Apr	May	June p
Composite green price, N.Y. (cts./lb.)	157.78	122.10	132.00	129.07	131.37	128.88	126.47	125.72	127.62	126.61
Imports, green bean equivalent (mil.lb.)[1]	2,466	2,248	2,352	184	215	178	182	172	208	172 F

	Annual			1981	1982				1983	
	1980	1981	1982 p	Oct-Dec	Jan-Mar	Apr-June	July-Sept	Oct-Dec	Jan-Mar	Apr-June p
Roastings (mil. lb.)[2]	2,255	2,324	2,293	657	585	498	536	674	554	486

[1] Green and processed coffee. [2] Instant soluble and roasted coffee. F = Forecast. p = Preliminary.

Supply and Utilization: Crops

Supply and utilization: domestic measure[1]

	Area											
	Planted	Harvested	Yield	Production	Total Supply[2]	Feed and Residual	Other domestic use	Exports	Total use	Ending stocks	Farm price[3]
	Mil. acres		Bu/acre				Mil. bu				$/bu.
Wheat:											
1979/80	71.4	62.5	34.2	2,134	3,060	86	697	1,375	2,158	902	3.78
1980/81*	80.6	71.0	33.4	2,374	3,279	51	725	1,514	2,290	989	3.91
1981/82*	86.9	81.0	34.5	2,799	3,791	142	712	1,773	2,627	1,164	3.65
1982/83*	87.3	78.8	35.6	2,809	3,980	216	712	1,511	2,439	1,541	3.53
1983/84*	—	—	—	2,437	3,981	265	715	1,400	2,380	1,601	3.50-3.70
	Mil. acres		lb/acre				Mil. cwt. (rough equiv.)				c/lb.
Rice:											
1979/80	2.89	2.87	4,599	131.9	163.6	[7]6.1	49.2	82.6	137.9	25.7	10.50
1980/81*	3.38	3.31	4,413	146.2	172.1	[7]9.7	54.5	91.4	155.6	16.5	12.80
1981/82*	3.83	3.79	4,819	182.7	199.6	[7]9.0	59.6	82.0	150.6	49.0	9.05
1982/83*	3.29	3.25	4,742	154.2	203.7	[7]10.0	58.5	67.0	135.5	68.2	8.18
1983/84*	—	—	—	107.0	175.6	[7]10.0	62.0	67.5	139.5	36.3	8.50-10.00
	Mil. acres		Bu/acre				Mil. bu.				$/bu.
Corn:											
1979/80	81.4	72.4	109.7	7,939	9,244	4,519	675	2,433	7,627	1,617	2.52
1980/81*	84.0	73.0	91.0	6,645	8,263	4,139	735	2,355	7,229	1,034	3.11
1981/82*	84.2	74.7	109.8	8,202	9,237	4,173	811	1,967	6,951	2,286	2.50
1982/83*	81.9	73.2	114.8	8,397	10,684	4,500	900	1,900	7,300	3,384	2.65
1983/84*	—	—	—	6,200	9,585	4,500	970	2,050	7,520	2,065	2.65-2.90
	Mil. acres		Bu/acre				Mil. bu.				$/bu.
Sorghum:											
1979/80	15.3	12.9	62.7	809	969	484	13	325	822	147	2.34
1980/81*	15.6	12.5	46.3	579	726	307	11	299	617	109	2.94
1981/82*	16.0	13.7	64.1	879	988	431	11	249	691	297	2.39
1982/83*	16.1	14.2	59.0	841	1,138	475	11	190	676	462	2.53
1983/84*	—	—	—	650	1,112	485	11	250	746	366	2.50-2.70
	Mil. acres		Bu/acre				Mil. bu.				$/bu.
Barley:											
1979/80	8.1	7.5	50.9	383	623	204	172	55	431	192	2.29
1980/81*	8.3	7.3	49.6	361	563	174	175	77	426	137	2.86
1981/82*	9.7	9.2	52.3	479	626	202	174	100	476	150	2.45
1982/83*	9.6	9.1	57.3	522	683	241	172	47	460	223	2.16
1983/84*	—	—	56.5	560	793	270	180	60	510	283	2.20-2.40
	Mil. acres		Bu/acre				Mil. bu.				$/bu.
Oats:											
1979/80	14.0	9.7	54.4	527	808	492	76	4	572	236	1.36
1980/81*	13.4	8.7	53.0	458	696	432	74	13	519	177	1.79
1981/82*	13.7	9.4	54.0	509	688	451	78	7	536	152	1.89
1982/83*	14.2	10.6	58.4	617	773	456	85	3	544	229	1.45
1983/84*	—	—	57.4	519	753	460	80	10	550	203	1.40-1.55
	Mil. acres		Bu/acre				Mil. bu.				$/bu.
Soybeans:											
1979/80	71.6	70.6	32.1	2,268	2,442	[4]85	1,123	875	2,083	359	6.28
1980/81*	70.0	67.9	26.4	1,792	2,151	[4]89	1,020	724	1,833	318	7.57
1981/82*	67.8	66.4	30.1	2,000	2,318	[4]93	1,030	929	2,052	266	6.04
1982/83*	72.2	70.8	32.2	2,277	2,543	[4]88	1,100	900	2,088	455	5.57
1983/84*	—	—	—	1,990	2,445	[4]90	1,140	890	2,120	325	5.75-7.25
							Mil. lbs.				c/lb.
Soybean oil:											
1979/80	—	—	—	12,105	12,881	—	8,981	2,690	11,671	1,210	24.3
1980/81*	—	—	—	11,270	12,480	—	9,113	1,631	10,744	1,736	22.7
1981/82*	—	—	—	10,979	12,715	—	9,535	2,077	11,612	1,103	19.0
1982/83*	—	—	—	11,847	12,950	—	9,900	1,900	11,800	1,150	18.5
1983/84*	—	—	—	12,425	13,575	—	10,350	1,950	12,300	1,275	17.0-22.0
							Thou. tons				$/ton
Soybean meal:											
1979/80	—	—	—	27,105	27,372	—	19,214	7,932	27,146	226	181.9
1980/81*	—	—	—	24,312	24,538	—	17,591	6,784	24,375	163	218.2
1981/82*	—	—	—	24,634	24,797	—	17,714	6,908	24,622	175	183
1982/83*	—	—	—	26,275	26,450	—	19,100	7,100	26,200	250	177
1983/84*	—	—	—	27,190	27,440	—	20,000	7,200	27,200	240	175-205

See footnotes at end of table.

Supply and utilization—domestic measure, continued

	Area		Yield	Production	Total Supply[2]	Feed and Residual	Other domestic use	Exports	Total use	Ending stocks	Farm price[3]
	Planted	Harvested									
	Mil. acres		lb/acre	Mil. bales							c/lb
Cotton:											
1979/80	14.0	12.8	547	14.6	18.6	–	6.5	9.2	15.7	3.0	[5]62.5
1980/81*	14.5	13.2	404	11.1	14.1	–	5.9	5.9	11.8	2.7	[5]74.7
1981/82*	14.3	13.8	543	15.6	18.3	–	5.3	6.6	11.8	8.6	[5]54.3
1982/83*	11.3	9.7	593	12.0	18.7	–	5.5	5.1	10.6	6.1	–
1983/84*	–	–	–	8.0	16.1	–	5.9	5.3	11.2	5.0	–

Supply and utilization—metric measure[6]

	Mil. hectares		Metric tons/ha	Mil. metric tons						$/metric ton
Wheat:										
1979/80	28.9	25.3	2.30	58.1	83.3	2.3	19.0	37.4	58.7	24.5	139
1980/81*	32.6	28.7	2.25	64.8	69.2	1.4	19.7	41.2	62.3	26.9	144
1981/82*	36.0	32.8	2.32	76.2	103.2	3.9	19.3	48.3	71.5	31.7	134
1982/83*	35.3	31.9	2.39	76.4	108.3	5.9	19.4	41.1	66.4	41.9	130
1983/84*	–	–	–	66.3	108.4	7.2	19.5	38.1	64.8	43.6	129-136
				Mil. metric tons (rough equiv.)							
Rice:											
1979/80	1.2	1.2	5.16	6.0	7.4	[7]0.3	2.2	3.7	6.2	1.2	231
1980/81*	1.4	1.3	4.95	6.6	7.8	[7]0.4	2.5	4.2	7.1	0.7	282
1981/82*	1.6	1.5	5.40	8.3	9.0	[7]0.4	2.7	3.7	6.8	2.2	200
1982/83*	1.3	1.3	5.32	7.0	9.2	[7]0.4	2.7	3.0	6.1	3.1	180
1983/84*	–	–	–	4.8	8.0	[7]0.4	2.8	3.1	6.3	1.7	187-220
				Mil. metric tons							
Corn:											
1979/80	32.9	29.3	6.88	201.6	234.8	114.8	17.1	61.8	193.7	41.1	99
1980/81*	34.0	29.5	5.72	168.8	209.9	105.1	18.7	59.8	183.6	26.3	122
1981/82*	34.1	30.2	6.90	208.3	234.6	106.0	20.6	50.0	176.5	58.1	98
1982/83*	33.1	29.6	7.21	213.3	271.4	114.3	22.9	48.3	185.4	86.0	104
1983/84*	–	–	–	157.5	243.5	114.3	24.6	52.1	191.0	52.5	104-114
Feed Grain:											
1979/80	48.1	41.5	5.74	238.2	284.7	138.7	22.3	71.3	232.3	52.4	–
1980/81*	49.1	41.1	4.82	198.0	250.7	123.0	23.8	69.3	216.1	34.6	–
1981/82*	50.0	43.3	5.74	248.5	283.4	127.9	25.8	58.6	212.3	71.1	–
1982/83*	49.3	43.3	5.89	255.0	326.4	138.2	28.1	54.2	222.5	105.9	–
1983/84*	–	–	–	193.7	299.9	139.2	30.0	59.9	229.1	70.8	–
Soybeans:											
1979/80	29.0	28.6	2.16	61.7	66.5	[4]2.3	30.6	23.8	56.7	9.8	231
1980/81*	28.3	27.5	1.78	48.8	58.5	[4]2.4	27.8	19.7	49.9	8.7	278
1981/82*	27.4	26.9	2.03	54.4	63.1	[4]2.5	28.0	25.3	55.8	7.2	222
1982/83*	29.2	28.6	2.16	62.0	69.2	[4]2.4	29.9	24.5	56.6	12.4	205
1983/84*	–	–	–	54.2	66.5	[4]2.4	31.0	24.2	57.7	8.8	211-266
Soybean oil:											
1979/80	–	–	–	5.49	5.84	–	4.07	1.22	5.29	.55	536
1980/81*	–	–	–	5.11	5.66	–	4.13	.74	4.87	.79	500
1981/82*	–	–	–	4.98	5.77	–	4.33	.94	5.27	.50	419
1982/83*	–	–	–	5.37	5.91	–	4.49	.86	5.35	.52	408
1983/84*	–	–	–	5.64	6.16	–	4.70	.89	5.59	.58	375-485
Soybean meal:											
1979/80	–	–	–	24.59	24.83	–	17.43	7.20	24.63	.20	201
1980/81*	–	–	–	22.06	22.26	–	15.96	6.15	22.11	.15	241
1981/82*	–	–	–	22.36	22.51	–	16.09	6.27	22.36	.16	201
1982/83*	–	–	–	23.84	24.00	–	17.33	6.44	23.77	.23	195
1983/84*	–	–	–	24.67	24.90	–	18.14	6.53	24.67	.22	190-225
											$/kg
Cotton:											
1979/80	5.7	5.2	.61	3.19	4.05	–	1.42	2.00	3.42	.65	[5]1.38
1980/81*	5.9	5.4	.45	2.42	3.07	–	1.28	1.28	2.57	.59	[5]1.65
1981/62*	5.8	5.6	.61	3.41	3.99	–	1.15	1.44	2.57	1.44	[5]1.20
1982/83*	4.6	3.9	.66	2.62	4.07	–	1.20	1.11	2.32	1.76	–
1983/84*	–	–	–	1.74	3.51	–	1.28	1.15	2.44	1.13	–

*July 13, 1983 Supply and Demand Estimates. [1] Marketing year beginning June 1 for wheat, barley, and oats, August 1 for cotton and rice, September 1 for soybeans, and October 1 for corn, sorghum, soymeal, and soyoil. [2] Includes imports. [3] Season average. [4] Includes seed. [5] Upland and extra long staple. Stock estimates based on Census Bureau data which results in an unaccounted difference between supply and use estimates and changes in ending stocks. [6] Conversion factors: Hectare (ha.) = 2.471 acres, 1 metric ton = 2204.622 pounds, 36.7437 bushels of wheat or soybeans, 39.3679 bushels of corn or sorghum, 49.9296 bushels of barley, 69.8944 bushels of oats, 22.046 cwt. of rice, and 4.59 480-pound bales of cotton. [7] Statistical discrepancy.

Gross national product and related data

	Annual			1982			1983	
	1980	1981	1982	II	III	IV	I	II p
	$ Bil. (Quarterly data seasonally adjusted at annual rates)							
Gross national product[1]	2,631.7	2,954.1	3,073.0	3,070.2	3,090.7	3,109.6	3,171.5	3,273.7
Personal consumption expenditures	1,668.1	1,857.2	1,991.9	1,972.8	2,008.8	2,046.9	2,073.0	2,151.3
Durable goods	214.7	236.1	244.5	242.9	243.4	252.1	258.5	278.1
Nondurable goods	668.8	733.9	761.0	754.7	766.6	773.0	777.1	799.8
Clothing and shoes	104.6	115.3	119.0	119.0	119.2	119.8	120.0	126.3
Food and beverages	345.1	375.9	396.9	394.7	400.4	404.5	411.7	420.1
Services	784.5	887.1	986.4	975.2	998.9	1,021.8	1,037.4	1,073.4
Gross private domestic investment	401.9	474.9	414.5	432.5	425.3	377.4	404.1	461.5
Fixed investment	411.7	456.5	439.1	443.7	430.2	433.8	443.5	462.1
Nonresidential	308.8	352.2	348.3	352.7	342.3	337.0	332.1	335.3
Residential	102.9	104.3	90.8	91.0	87.9	96.8	111.3	126.8
Change in business inventories	-9.8	18.5	-24.5	-11.2	-4.9	-56.4	-39.4	-10.6
Net exports of goods and services	23.9	26.3	17.4	33.3	.9	5.6	17.0	-12.5
Exports	338.8	368.8	347.6	364.5	346.0	321.6	326.9	321.7
Imports	314.8	342.5	330.2	331.2	345.0	316.1	309.9	334.3
Government purchases of goods and services	537.8	595.7	649.2	631.6	655.7	679.7	677.4	683.3
Federal	197.0	229.2	258.7	244.1	261.7	279.2	273.5	274.8
State and local	340.6	366.5	390.5	387.5	394.0	400.5	404.0	408.6
	1972 $Bil. (Quarterly data seasonally adjusted at annual rates)							
Gross national product	1,475.0	1,513.8	1,485.4	1,489.3	1,485.7	1,480.7	1,490.1	1,521.4
Personal consumption expenditures	931.8	956.8	970.2	968.8	971.0	979.6	986.7	1,010.5
Durable goods	137.5	141.2	139.8	139.5	138.2	143.2	145.8	156.4
Nondurable goods	355.6	362.5	364.2	363.5	364.7	366.0	368.9	374.3
Clothing and shoes	77.9	83.2	84.4	84.4	84.1	84.5	84.7	88.4
Food and beverages	181.0	181.8	184.0	182.9	184.8	186.4	188.2	189.1
Services	438.8	453.1	466.2	465.7	468.2	470.4	472.0	479.8
Gross private domestic investment	208.5	227.6	194.5	201.4	198.4	178.4	190.0	208.5
Fixed investment	212.9	219.1	203.9	204.9	199.8	201.1	205.4	213.0
Nonresidential	165.8	174.4	166.1	167.1	163.3	160.5	159.9	161.8
Residential	47.1	44.7	37.8	37.8	36.5	40.6	45.5	51.2
Change in business inventories	-4.4	8.5	-9.4	-3.4	-1.3	-22.7	-15.4	-4.5
Net exports of goods and services	50.3	43.0	28.9	33.4	24.0	23.0	20.5	10.2
Exports	159.1	159.7	147.3	154.5	146.4	136.5	137.3	134.2
Imports	108.8	116.7	118.4	121.1	122.4	113.5	116.8	124.0
Government purchases of goods and services	284.3	286.5	291.8	285.8	292.2	299.7	292.9	292.2
Federal	106.4	110.4	116.6	110.3	116.9	124.4	118.4	118.2
State and local	177.9	176.1	175.2	175.4	175.3	175.2	174.5	174.0
New plant and equipment expenditures ($bil.)	295.63	321.49	316.43	323.22	315.79	302.77	293.03	302.23
Implicit price deflator for GNP (1972=100)	178.42	195.14	206.88	206.15	208.03	210.00	212.83	215.17
Disposable income ($bil.)	1,828.9	2,047.6	2,176.5	2,159.0	2,191.5	2,227.8	2,256.0	2,302.9
Disposable income (1972 $bil.)	1,021.6	1,054.7	1,060.2	1,060.2	1,059.3	1,066.1	1,073.8	1,081.7
Per capita disposable income ($)	8,032	8,906	9,377	9,315	9,430	9,562	9,661	9,842
Per capita disposable income (1972 $)	4,487	4,587	4,567	4,574	4,558	4,576	4,599	4,623
U.S. population, tot. incl. military abroad (mil.)	227.7	229.9	232.1	231.8	232.4	233.0	233.5	234.0
Civilian population (mil.)	225.6	227.7	229.9	229.6	230.2	230.8	231.3	231.8

See footnotes at end of next table.

Selected monthly indicators

	Annual			1982	1983					
	1980	1981	1982	June	Jan	Feb	Mar	Apr	May	June p
	Monthly data seasonally adjusted except as noted									
Industrial production, total[2] (1967=100)	147.0	151.0	138.6	138.7	137.4	138.1	140.0	142.7	144.3	145.9
Manufacturing (1967=100)	146.7	150.4	137.6	137.7	136.7	138.2	140.4	143.1	145.0	146.6
Durable (1967=100)	136.7	140.5	124.7	125.5	122.5	123.9	126.3	129.1	131.2	133.2
Nondurable (1967=100)	161.2	164.8	156.2	155.3	157.4	159.0	160.7	163.3	164.9	165.9
Leading economic indicators[1,3] (1967=100)	138.2	140.9	136.8	135.5	145.1	147.6	150.5	152.4	154.3	155.9
Employment[4] (mil. persons)	99.3	100.4	99.5	99.7	99.1	99.1	99.1	99.5	99.6	100.8
Unemployment rate[4] (%)	7.1	7.6	9.7	9.5	10.4	10.4	10.3	10.2	10.1	10.0
Personal income[1] ($ bil. annual rate)	2,165.3	2,435.0	2,578.6	2,572.5	2,652.6	2,650.5	2,670.1	2,690.5	2,720.6	2,734.1
Hourly earnings in manufacturing[4,5] ($)	7.27	7.99	8.50	8.50	8.71	8.75	8.74	8.77	8.78	8.81
Money stock-M1 (daily avg.) ($bil.)[7]	[6]414.5	[6]440.6	[6]478.2	453.4	482.1	491.1	497.6	496.5	507.4	512.0
Money stock-M2 (daily avg.) ($bil)[7]	[6]1,656.1	[6]1,794.9	[6]1,959.5	1,864.5	2,010.0	2,050.8	2,070.0	2,074.8	2,097.1	2,115.2
Three-month Treasury bill rate[7] (%)	11.506	14.077	10.686	12.108	7.810	8.130	8.304	8.252	8.185	8.82
Aaa corporate bond yield (Moody's)[8,7] (%)	11.94	14.17	13.79	14.81	11.79	12.01	11.73	11.51	11.46	11.74
Interest rate on new home mortgages[7,8] (%)	12.66	14.70	15.14	15.40	13.49	13.16	13.41	12.42	12.67	12.41
Housing starts, private (incl. farm) (thou.)	1,292	1,084	1,062	910	1,694	1,784	1,605	1,506	1,799	1,747
Auto sales at retail, total[1] (mil.)	9.0	8.5	8.0	7.3	8.5	8.2	8.4	8.5	9.1	10.1
Business sales, total[1] ($ bil.)	327.3	356.1	344.2	349.7	345.3	341.5	348.0	351.4	363.1p	–
Business inventories, total[1] ($ bil.)	492.9	526.2	511.9	521.0	507.6	507.7	503.2	504.8	506.5p	–
Sales of all retail stores ($ bil.)[9]	80.2	87.3	89.6	88.6	92.3	91.2	93.3	95.4	98.4p	99.1
Durable goods stores ($ bil.)	24.4	26.3	26.7	26.1	28.3	27.5	29.2	30.7	32.0p	32.4
Nondurable goods stores ($ bil.)	55.8	61.0	62.9	62.5	64.0	63.7	64.1	64.8	66.4p	66.7
Food stores ($ bil.)	18.1	19.8	20.8	21.0	21.1	21.3	21.5	21.6	22.0p	22.0
Eating and drinking places ($ bil.)	7.2	7.8	8.6	8.9	9.6	9.7	9.8	9.8	10.0p	9.9
Apparel and accessory stores ($ bil.)	3.7	4.0	4.1	4.2	4.3	4.3	4.3	4.5	4.7p	4.7

[1] Department of Commerce. [2] Board of Governors of the Federal Reserve System. [3] Composite index of 12 leading indicators. [4] Department of Labor, Bureau of Labor Statistics. [5] Not seasonally adjusted. [6] December of the year listed. [7] Moody's Investors Service. [8] Federal Home Loan Bank Board. [9] Adjusted for seasonal variations, holidays, and trading day differences. p = preliminary.

U.S. Agricultural Trade

Prices of principal U.S. agricultural trade products

	Annual			1982	1983					
	1980	1981	1982	June	Jan	Feb	Mar	Apr	May	June
Export commodities:										
Wheat, f.o.b. vessel, Gulf ports ($/bu.)	4.78	4.80	4.38	4.14	4.51	4.50	4.55	4.56	4.43	4.11
Corn, f.o.b. vessel, Gulf ports ($/bu.)	3.28	3.40	2.80	2.97	2.77	3.00	3.16	3.40	3.42	3.45
Grain sorghum, f.o.b. vessel, Gulf ports ($/bu.)	3.38	3.28	2.81	2.90	2.96	3.12	3.18	3.38	3.47	3.41
Soybeans, f.o.b. vessel, Gulf ports ($/bu.)	7.39	7.40	6.36	6.56	6.12	6.18	6.20	6.58	6.49	6.33
Soybean oil, Decatur (cts./lb.)	23.63	21.07	18.33	19.36	16.53	17.28	17.72	19.38	19.80	19.71
Soybean meal, Decatur ($/ton)	196.47	218.65	179.70	183.89	180.17	175.68	178.67	187.18	183.90	176.05
Cotton, 10 market avg. spot (cts./lb.)	81.13	71.93	60.10	61.10	60.16	61.72	66.05	65.34	66.91	70.69
Tobacco, avg. price of auction (cts./lb.)	142.29	156.48	172.20	169.51	175.95	174.92	174.46	174.46	175.49	174.92
Rice, f.o.b. mill, Houston ($/cwt.)	21.89	25.63	18.89	18.75	19.00	19.00	19.00	19.00	19.00	19.10
Inedible tallow, Chicago (cts./lb.)	18.52	15.27	12.85	14.31	11.35	12.00	12.50	13.56	13.75	13.19
Import commodities:										
Coffee, N.Y. spot ($/lb.)	1.64	1.27	1.41	1.41	1.34	1.30	1.28	1.27	1.28	1.28
Sugar, N.Y. spot (cts./lb.)	30.10	19.73	19.86	21.03	21.23	21.76	21.87	22.43	22.60	22.54
Rubber, N.Y. spot (cts./lb.)	73.80	56.79	45.48	46.33	44.27	49.10	56.14	58.22	56.78	55.36
Cocoa beans, N.Y. ($/lb.)	1.14	.90	.75	.66	.78	.84	.80	.81	.90	1.00
Bananas, f.o.b. port of entry ($/40-lb. box)	6.89	7.28	6.80	7.25	6.13	6.90	7.38	8.70	10.06	9.16

n.a. = not available.

U.S. agricultural exports by regions

Region and country[1]	October-April		April		Change from year earlier	
	1981/82	1982/83	1982	1983	October-April	April
	$ Mil.				percent	
Western Europe	7,834	6,577	1,032	784	-16	-24
European Community (EC-10)	5,873	4,980	794	596	-15	-25
Belgium-Luxembourg	578	524	92	42	-9	-54
France	442	371	35	47	-16	+34
Germany, Fed. Rep.	1,126	918	136	144	-18	+6
Greece	122	120	19	20	-2	+5
Italy	624	528	78	79	-15	+1
Netherlands	2,235	1,904	345	207	-15	-40
United Kingdom	595	493	70	45	-17	-36
Other Western Europe	1,961	1,596	238	188	-19	-21
Portugal	352	380	52	56	+8	+8
Spain	1,066	791	121	101	-26	-17
Eastern Europe	638	458	79	102	-28	+29
German Dem. Rep.	181	86	8	17	-52	+113
Poland	112	131	11	9	+17	-18
Romania	98	65	25	8	-34	-68
USSR	2,023	930	247	180	-54	-27
Asia	8,657	8,122	1,188	1,102	-6	-7
West Asia	943	833	120	104	-12	-13
Iran	88	1	0	1	-99	+100
Iraq	76	140	8	19	+84	+138
Israel	214	176	30	13	-18	-57
Saudi Arabia	282	270	44	33	-4	-25
South Asia	395	773	53	107	+96	+102
India	242	589	7	97	+143	+128
Pakistan	110	67	22	2	-39	-91
East and Southeast Asia	7,320	6,517	1,015	892	-11	-12
China	1,159	508	151	30	-56	-80
Taiwan	717	724	124	119	+1	-4
Japan	3,610	3,444	462	482	-5	+4
Korea, Rep.	857	945	130	166	+10	+28
Africa	1,494	1,174	249	201	-21	-19
North Africa	862	728	163	127	-16	-22
Algeria	142	82	12	27	-42	+125
Egypt	534	498	114	87	-7	-24
Morocco	114	125	30	8	+10	-73
Other Africa	631	447	86	74	-29	-14
Nigeria	351	167	53	20	-52	-62
Latin America and Caribbean	2,979	2,512	422	401	-16	-5
Brazil	345	221	68	34	-36	-50
Caribbean Islands	440	447	72	61	+2	-15
Central America	191	178	26	26	-7	0
Colombia	148	157	29	26	+6	-10
Mexico	992	875	112	161	-12	+44
Peru	171	118	25	37	-31	+48
Venezuela	458	320	52	23	-30	-56
Canada	1,087	1,038	157	154	-5	-2
Canadian Transshipments	318	181	85	41	-43	-52
Oceania	205	134	22	17	-35	-23
Total	25,236	21,127	3,482	2,981	-16	-14

[1] Unadjusted for transshipments through Canada.

U.S. agricultural imports

	October-April				April			
	1981/82	1982/83	1981/82	1982/83	1982	1983	1982	1983
	Thou. units		$ Thou.		Thou. units		$ Thou.	
Live animals, excluding poultry	–	–	231,980	332,976	–	–	50,548	41,513
Meat and preparations, excl. poultry (mt)	439	528	1,001,401	1,186,467	77	81	166,272	178,624
Beef and veal (mt)	315	368	676,781	751,278	59	57	120,742	118,955
Pork (mt)	111	147	285,398	401,091	16	22	39,806	55,425
Dairy products, excluding eggs	–	–	334,019	387,768	–	–	38,375	44,332
Poultry and poultry products	–	–	38,220	48,252	–	–	3,681	7,241
Grains and preparations	–	–	196,281	245,801	–	–	27,756	35,334
Wheat and flour (mt)	3	111	1,114	12,955	[1]	1	191	201
Rice (mt)	7	11	4,443	5,806	1	1	795	784
Feed grains (mt)	17	42	2,568	5,266	7	8	936	949
Other	–	–	188,156	221,774	–	–	25,834	33,400
Fruits, nuts, and preparations	–	–	881,717	1,064,875	–	–	149,736	172,851
Bananas, Fresh (mt)	1,333	1,451	290,296	324,547	191	176	41,389	41,085
Vegetables and preparations	–	–	727,097	755,871	–	–	113,417	150,694
Sugar and preparations, incl. honey	–	–	1,015,701	686,280	–	–	73,532	110,834
Sugar, cane or beet (mt)	2,605	1,433	907,892	542,877	195	216	59,875	87,238
Coffee, tea, cocoa, spices, etc. (mt)	908	1,090	2,175,964	2,489,343	110	151	272,789	334,280
Coffee, green (mt)	583	629	1,468,441	1,623,926	69	75	184,138	191,178
Cocoa beans (mt)	115	193	208,622	294,058	16	37	28,069	61,996
Feeds and fodders	–	–	62,301	70,448	–	–	6,888	11,397
Protein meal (mt)	34	53	5,531	8,526	4	7	546	1,231
Beverages, incl. distilled alcohol (hl)	5,957	6,670	670,940	751,864	825	930	89,965	102,839
Tobacco, unmanufactured (mt)	89	108	244,423	318,378	13	20	34,663	62,415
Hides, skins, and furskins	–	–	146,301	127,195	–	–	16,196	29,341
Oilseeds	116	108	50,701	46,304	12	13	5,281	6,254
Soybeans (mt)	4	3	1,055	699	[1]	([1])	199	118
Wool, unmanufactured (mt)	26	20	95,886	69,299	3	4	10,375	14,166
Cotton, unmanufactured (mt)	6	6	3,689	4,422	1	1	1,184	462
Fats, oils, and greases (mt)	7	7	5,018	4,931	1	1	816	656
Vegetable oils and waxes (mt)	400	428	238,646	216,620	44	56	23,944	29,260
Rubber and allied gums (mt)	392	384	362,190	323,504	55	63	48,223	53,270
Other	–	–	433,601	475,842	–	–	63,462	83,591
Total	–	–	8,916,076	9,606,340	–	–	1,197,103	1,469,354

[1] Less than 500,000. Note: 1 metric ton (mt) = 2,204.622 lb; 1 hectoliter (hl) = 100 liters = 26.42008 gal.

U.S. agricultural exports

	October-April				April			
	1981/82	1982/83	1981/82	1982/83	1982	1983	1982	1983
	Thou. units		$ Thou.		Thou. units		$ Thou.	
Animals, live, excluding poultry	–	–	132,903	118,821	–	–	9,610	9,946
Meat and preps., excluding poultry (mt)	253	247	560,305	565,876	34	39	80,050	93,614
Dairy products, excluding eggs	–	–	242,680	199,517	–	–	30,625	37,351
Poultry and poultry products	–	–	382,784	273,337	–	–	43,705	37,123
Grains and preparations	–	–	10,158,613	8,092,263	–	–	1,475,175	1,159,831
Wheat and wheat flour (mt)	27,542	22,874	4,776,767	3,734,967	4,209	3,280	715,405	543,683
Rice, milled (mt)	1,656	1,126	704,222	446,072	231	208	88,504	71,424
Feed grains, excluding products (mt)	36,558	33,558	4,481,310	3,739,390	5,373	4,125	643,842	517,318
Other	–	–	196,314	171,834	–	–	27,424	27,406
Fruits, nuts, and preparations	–	–	1,204,847	1,123,218	–	–	160,075	159,496
Vegetables and preparations	–	–	1,025,571	610,609	–	–	116,351	89,924
Sugar & preps., including honey	–	–	130,095	46,983	–	–	8,442	4,454
Coffee, tea, cocoa, spices, etc. (mt)	31	29	133,604	117,630	4	4	18,382	14,700
Feeds and fodders	–	–	1,689,614	1,705,899	–	–	253,297	219,289
Protein meal (mt)	4,647	4,675	1,063,730	1,016,699	618	434	141,776	97,110
Beverages, excl. distilled alcohol (lit.)	31,233	34,116	16,520	19,376	5,195	6,872	2,900	4,107
Tobacco, unmanufactured (mt)	175	170	1,020,338	1,029,345	19	20	113,614	114,618
Hides, skins, and furskins	–	–	679,596	634,836	–	–	99,837	73,629
Oilseeds	–	–	4,645,960	4,035,711	–	–	637,382	495,650
Soybeans (mt)	16,777	16,579	4,307,492	3,807,889	2,332	1,994	590,327	471,692
Wool, unmanufactured (mt)	2	3	24,535	25,591	(1)	1	4,052	7,098
Cotton, unmanufactured (mt)	1,048	727	1,503,264	991,868	162	147	212,200	209,166
Fats, oils, and greases (mt)	957	883	443,917	356,504	139	137	61,776	54,103
Vegetable oils and waxes (mt)	911	973	543,230	524,536	116	198	70,720	101,496
Rubber and allied gums (mt)	6	7	11,128	12,002	1	1	1,644	1,909
Other	–	–	686,161	643,013	–	–	91,957	93,561
Total	–	–	25,235,665	21,126,935	–	–	3,481,794	2,981,065

[1] Less than 500,000.

Trade balance

	October-April		April	
	1981/82	1982/83	1982	1983
		$ Mil.		
Agricultural exports	25,236	21,127	3,482	2,981
Nonagricultural exports	103,805	92,660	14,726	13,380
Total exports[1]	129,041	113,787	18,208	16,361
Agricultural imports	8,916	9,605	1,197	1,469
Nonagricultural imports	135,042	126,490	16,507	18,245
Total imports[2]	143,958	136,095	17,704	19,713
Agricultural trade balance	16,320	11,522	2,285	1,512
Nonagricultural trade balance	-31,237	-33,830	-1,781	-4,865
Total trade balance	-14,917	-22,308	+504	-3,352

[1] Domestic exports including Department of Defense shipments (F.A.S. value). [2] Imports for consumption (customs value).

World supply and utilization of major crops

	1977/78	1978/79	1979/80	1980/81	1981/82	1982/83 F	1983/84 F
				Mil. units			
Wheat:							
Area (hectare)	227.1	228.9	227.6	236.6	239.3	238.8	–
Production (metric ton)	384.1	446.8	422.8	441.1	448.9	480.3	478.4
Exports (metric ton)[1]	72.8	72.0	86.0	94.1	101.7	97.7	98.6
Consumption (metric ton)[2]	399.3	430.2	443.5	446.5	442.1	468.3	466.8
Ending stocks (metric ton)[3]	84.3	100.9	80.4	78.7	85.5	97.4	109.0
Coarse grains:							
Area (hectare)	345.1	342.8	341.1	342.3	349.1	341.7	–
Production (metric ton)	700.6	753.6	741.5	730.0	764.8	780.9	743.0
Exports (metric ton)[1]	84.0	90.2	100.9	105.5	105.4	88.5	94.2
Consumption (metric ton)[2]	692.0	748.1	740.3	740.8	732.3	748.4	779.5
Ending stocks (metric ton)[3]	85.9	91.2	91.6	80.9	113.3	145.8	109.4
Rice, milled:							
Area (hectare)	143.2	144.1	143.1	144.5	145.2	141.4	–
Production (metric ton)	249.0	260.7	253.9	267.2	278.0	281.3	283.1
Exports (metric ton)[1]	9.5	11.6	12.6	12.9	11.6	12.8	11.9
Consumption (metric ton)[2]	244.0	255.8	257.8	268.4	278.9	286.5	284.7
Ending stocks (metric ton)[3]	22.8	27.7	23.4	22.2	21.3	16.1	14.5
Total grains:							
Area (hectare)	715.8	715.8	711.8	723.4	733.6	721.9	–
Production (metric ton)	1,333.8	1,461.1	1,418.2	1,438.3	1,491.7	1,542.5	1,504.5
Exports (metric ton)[1]	166.2	173.8	199.5	212.5	216.8	200.2	205.1
Consumption (metric ton)[2]	1,335.3	1,434.1	1,441.9	1,455.7	1,453.3	1,503.2	1,531.0
Ending stocks (metric ton)[3]	193.1	219.8	195.4	181.6	220.1	259.3	232.9
Oilseeds and meals:[4,5]							
Production (metric ton)	78.4	82.1	95.1	84.3	91.4	98.8	96.4
Trade (metric ton)	38.8	40.6	46.2	44.1	46.5	47.3	48.0
Fats and Oils:[5]							
Production (metric ton)	46.3	48.5	53.1	50.5	53.8	57.1	55.9
Trade (metric ton)	18.3	19.3	20.8	20.0	21.0	21.2	21.7
Cotton:							
Area (hectare)	32.8	32.4	32.2	32.4	33.4	32.0	–
Production (bale)	64.1	60.0	65.5	65.3	70.8	67.5	65.9
Exports (bale)	19.1	19.8	22.7	19.7	20.1	17.9	18.5
Consumption (bale)	60.0	62.4	65.3	65.8	65.9	67.3	69.2
Ending stocks (bale)	25.0	22.1	23.0	23.5	28.0	27.9	24.5

F = Forecast. [1] Excludes intra-EC trade. [2] Where stocks data not available (excluding USSR), consumption includes stock changes. [3] Stocks data are based on differing marketing years and do not represent levels at a given date. Data not available for all countries; includes estimated change in USSR grain stocks but not absolute level. [4] Soybean meal equivalent. [5] Calendar year data. 1977 data corresponds with 1976/77, etc. Excludes safflower, sesame, and castor oil. – = no forecast.

Japan To Increase Imports of U.S. Grains and Meats

Japan has long been one of the most important markets for U.S. agricultural exports, especially grains and oilseeds. A new report by USDA's Economic Research Service, *Japan's Feed-Livestock Economy: Prospects for the 1980's*, helps explain why that has been so and why future farm exports to Japan will probably rise even higher.

Each year, Japan purchases about 20 percent of total U.S. corn exports, 50 percent of U.S. sorghum exports, and more than 20 percent of U.S. soybean exports. By 1990, the United States may be able to increase its grain and soybean exports by a third and quintuple its beef exports, according to William Coyle, author of the report. In contrast, the Japanese market for imported dairy products, pork, and poultry will show little or no growth. The United States provides more than 65 percent of Japan's imports of coarse

grains (corn, barley, sorghum), 95 percent of its soybean imports, and 71 percent of its soybean meal imports.

The report includes extensive tables and charts on Japanese consumption, production, and trade of beef, dairy, poultry, fish, and feed grains, including projections through 1990.

Agriculture in China...

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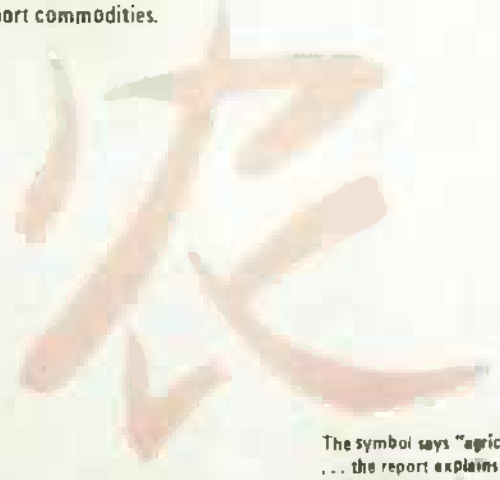

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